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**Committee on Regional Trade Agreements**

**FACTUAL PRESENTATION**

**ECONOMIC PARTNERSHIP AGREEMENT BETWEEN THE UNITED KINGDOM, THE SOUTHERN  
AFRICAN CUSTOMS UNION (SACU) AND MOZAMBIQUE (GOODS)**

*Report by the Secretariat*

This report, prepared for the consideration of the Economic Partnership Agreement between the United Kingdom, the Southern African Customs Union (SACU) and Mozambique, goods has been drawn up by the WTO Secretariat on its own responsibility and in full consultation with the Parties. The factual presentation reproduces as closely as possible the terminology used in the Agreement and in the comments provided and does not imply official endorsement or acceptance by the Secretariat of such terminology. The report has been drawn up in accordance with the rules and procedures contained in the Decision for a Transparency Mechanism for Regional Trade Agreements (WT/L/671) and thus does not imply any value judgement by the Secretariat regarding the contents of the Agreement.

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### Key Facts

<b>Parties to the Agreement:</b>	United Kingdom, Botswana, Eswatini, Lesotho, Mozambique, Namibia) and South Africa
<b>Date of Signature:</b>	9 October 2019 (United Kingdom, Botswana, Eswatini, Lesotho, Mozambique, Namibia) and 16 October 2019 (South Africa)
<b>Date of Entry into Force:</b>	1 January 2021
<b>Date of Notification:</b>	8 January 2021
<b>Full implementation:</b>	<b>2028</b>

The Factual Presentation describes the Agreement establishing an Economic Partnership Agreement between the Southern African Customs Union (SACU) Member States<sup>1</sup> and Mozambique; and the United Kingdom (UK) (hereinafter referred to as "the Agreement"). As the Agreement is based on the Economic Partnership Agreement between the European Union and its Member States and the Southern African Development Community (SADC) EPA States, the factual presentation also refers to the EU-SADC EPA.<sup>2</sup>

## 1 TRADE ENVIRONMENT<sup>3</sup>

1.1. The economies of the Parties are significantly different in terms of size and share of trade. Key indicators on GDP and merchandise trade of the Parties are shown in Table 1.1 below. The UK is the largest economy, with a GDP in 2021 of almost USD 3,188 billion, with its global exports and imports ranked at 14<sup>th</sup> and 8<sup>th</sup> largest. The largest SACU Party, South Africa had a GDP of USD 418 billion in 2021, with its exports and imports ranked respectively at 37 and 38 globally while the smallest, Lesotho's exports and imports were ranked respectively at 151 and 156 in the world. The trade to GDP ratios range from 28.9 for the UK to 69.4 for Lesotho. The UK's main export markets are in the EU, the United States and Switzerland while it mainly imports from the EU, the United States and China. Among the SACU Members, the largest export markets and sources of imports are the EU, China and the US (with South Africa the only economy with significant exports to the UK at 5%). Mozambique mainly exports to the EU, South Africa, India and the UK, while its imports mainly originate in South Africa, the EU, China and India.

1.2. In terms of the composition of their trade, manufactures account for the largest share of exports for most economies except for Mozambique, Namibia and South Africa, where the largest share is made up of mining and minerals. Manufactures dominate the imports of all the Parties.

<sup>1</sup> Botswana, Eswatini, Lesotho, Namibia and South Africa.

<sup>2</sup> The EU-SADC EPA is notified to the WTO under document series WT/REG381 and was considered by the Committee on Regional Trade Agreements on 18 November 2020.

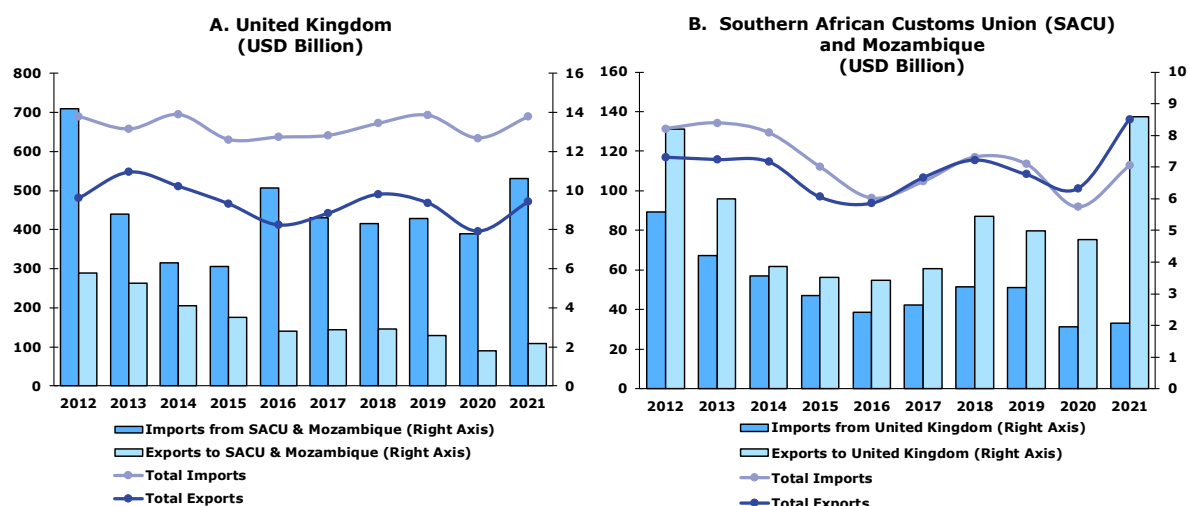
<sup>3</sup> Unless indicated, the data in this section is based on the WTO trade profiles (updated up to 31 August 2022).

**Table 1.1 GDP and merchandise trade, 2021**

Member	Merchandise trade - 2021				Rank in world trade - 2021		GDP USD billion (2021)	Trade/GDP, 2019-2021
	Exports USD billion	% world exports	Imports USD billion	% world imports	Exports	Imports		
<b>United Kingdom</b>	468.2	2.10	693.8	3.07	14	8	3,187.6	28.9
<b>SACU</b>								
Botswana	7.2	0.03	8.4	0.04	104	113	17.8	43.0
Eswatini	2.1	0.01	1.9	0.01	138	158	4.7	45.2
Lesotho	1.1	0.0	2.1	0.01	151	156	2.5	69.4
Namibia	6.7	0.03	9.1	0.04	107	108	12.4	39.9
South Africa	123.6	0.55	113.9	0.50	37	38	418.0	27.0
<b>Mozambique</b>	5.6	0.02	8.6	0.04	115	110	16.1	48.6

Source: WTO Secretariat Trade Profiles (as reported 31 August 2022).

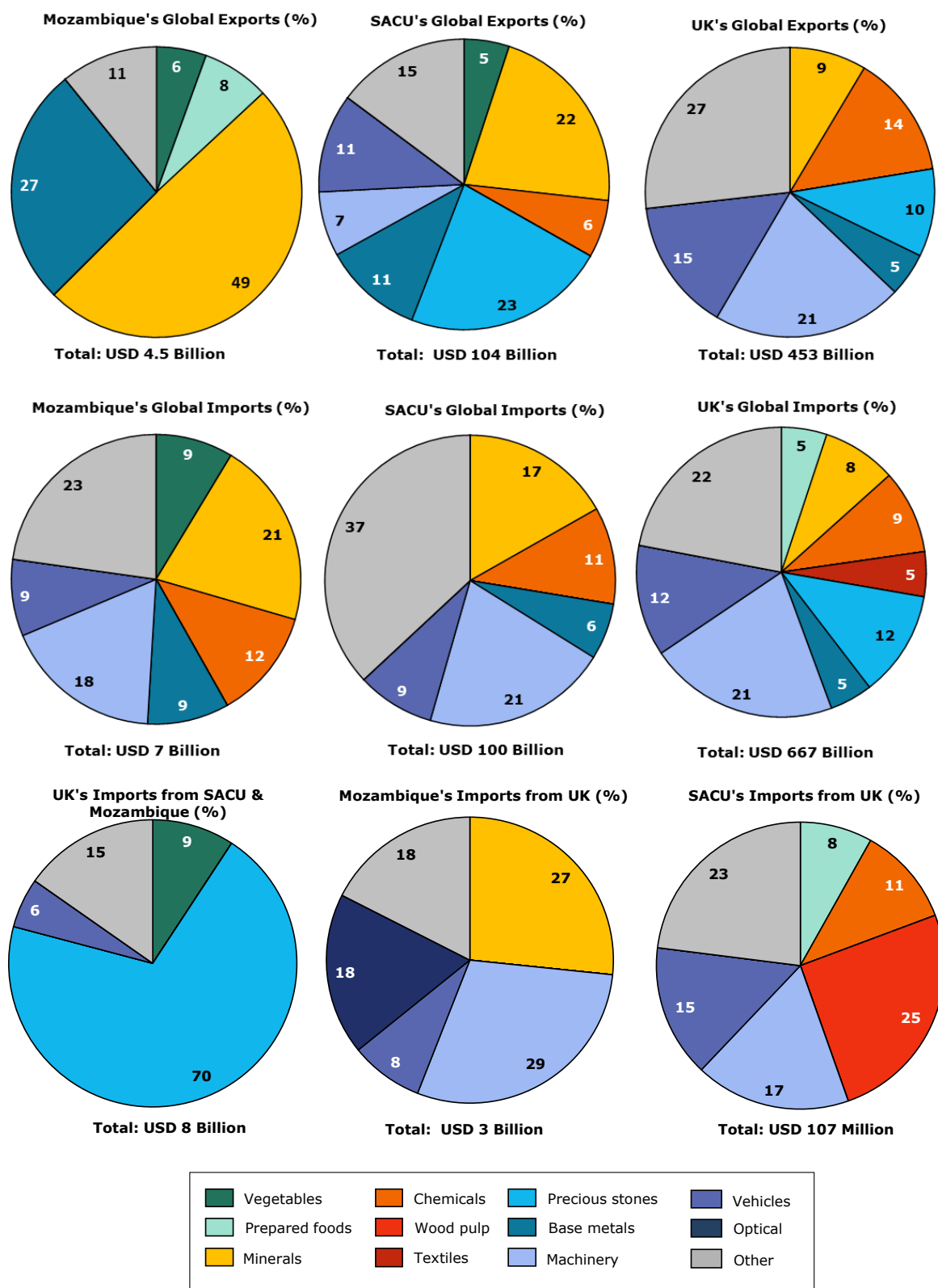
1.3. Chart 1.1 shows the Parties' global and bilateral merchandise trade during the period 2012-2021. The UK maintained a trade deficit both globally and with the other Parties, with exports to SACU Members and Mozambique showing a declining trend. SACU Members and Mozambique maintained a global trade deficit up to 2016, since when the merchandise trade balance has been stable and, since 2020, in surplus.

**Chart 1.1 UK-SACU & Mozambique: Global and bilateral merchandise trade, 2012-2021**

Source: WTO Comtrade API, accessed February 22, 2023.

1.4. Chart 1.2 gives further details on the product composition, by broad HS Section, of the global and bilateral trade of the Parties (average trade during 2018-20). Of Mozambique and SACU Members' key global export categories of minerals (accounting for almost half of Mozambique's exports and 22% of SACU's exports), base metals (which accounted for 27% of Mozambique's exports and 11% of SACU's exports), as well as precious stones accounting for 23% of SACU's global exports, the UK mainly imported precious stones and base metals from them. Of the UK's largest exports of machinery, motor vehicles and chemicals (which together accounted for 50% of its average exports during 2018-20), SACU mainly imports machinery, motor vehicles (which accounted for 33% of its imports from the UK) and wood pulp (which is mainly under HS 4907000: unused postage, revenue or similar stamps, and accounted for 25% of SACU's imports from the UK during this period). Mozambique mainly imports machinery, minerals, and optical, photographic, measuring, or surgical instruments (which accounted for 74% of its imports from the UK); among the UK's largest imports, only motor vehicles, at 8%, is a significant import by Mozambique.

**Chart 1.2 UK-SACU & Mozambique: Product composition of merchandise trade (by HS Section), annual average 2018-2020**



Source: UK authorities; UNSD, Comtrade database.

## 2 CHARACTERISTIC ELEMENTS OF THE AGREEMENT

### 2.1 Background information

2.1. The relationship between the UK and SACU and Mozambique was, until 31 December 2020, based on the EU-SADC Economic Partnership Agreement (EU-SADC EPA). The Agreement replaces it as the trade agreement applied to trade between the UK, SACU and Mozambique. It was signed on 9 October 2019 by the UK, Botswana, Eswatini, Lesotho, Mozambique and Namibia and on 16 October 2019 by South Africa. It entered into force on 1 January 2021 and was notified by the Parties on 8 January 2021 under Article XXIV:7(a) of the GATT 1994, and its Understanding. The text of the Agreement together with its annexes, is available on the Parties' official websites.<sup>4</sup>

2.2. The Agreement is divided into six broad Parts. In addition to the six annexes under the EU-SADC EPA, there is a new annex on commitments derived from the Cotonou Agreement as referenced in the EU-SADC EPA; several Joint Declarations are included in the Annexes (Box 2.1).

#### Box 2.1 Structure of the Agreement

<b>Preamble</b>	
<b>Part I</b>	<b>Sustainable Development and other areas of cooperation</b>
Chapter I	General Provisions
Chapter II	Trade and Sustainable Development
Chapter III	Areas of cooperation
<b>Part II</b>	<b>Trade and Trade Related Matters</b>
Chapter I	Trade in goods
Chapter II	Trade defence instruments
Chapter III	Non-tariff measures
Chapter IV	Customs and Trade Facilitation
Chapter V	Technical Barriers to Trade
Chapter VI	Sanitary and Phytosanitary Measures
Chapter VII	Agriculture
Chapter VIII	Current payments and capital movements
Chapter IX	Trade in services and investment
<b>Part III</b>	<b>Dispute Avoidance and Settlement</b>
Chapter I	Objective and Scope
Chapter II	Consultations and mediation
Chapter III	Dispute Settlement procedures
Chapter IV	Common Provisions
<b>Part IV</b>	<b>General Exceptions</b>
<b>Part V</b>	<b>Institutional Provisions</b>
<b>Part VI</b>	<b>General and Final Provisions</b>
<b>Annexes</b>	
I	Customs Duties of the UK on Products Originating in the SACU Member States or Mozambique
II	Customs Duties of SACU on Products Originating in the UK
III	Customs Duties of Mozambique on Products Originating in the UK

<sup>4</sup> United Kingdom: <https://www.gov.uk/government/publications/uksacu-and-mozambique-economic-partnership-agreement-ms-no342019>; SACU: <http://www.sacu.int/docs/agreements/2021/SACU-Mozambique-UK-EPA-EN.pdf>; Mozambique: <http://www.sacu.int/docs/agreements/2021/SACU-Mozambique-UK-EPA-PT.pdf>.

<b>Preamble</b>	
IV	Agricultural Safeguards
V	Botswana, Eswatini, Lesotho, Namibia (BELN) Transitional Safeguards
VI	SPS Priority Products and Sectors
VII	Commitments derived from the Cotonou Agreement as referenced in the EU-SADC EPA
<b>Protocols</b>	
1	Concerning the Definition of the Concept of "Originating Products" and Methods of Administrative Cooperation
2	Mutual Administrative Assistance in Customs Matters
3	Geographical Indications and Trade in Wines and Spirits
4	Concerning the Relationship between the TDCA and this Agreement
<b>Final Act</b>	

Source: The Agreement.

2.3. The Agreement applies (i) to the territory of the United Kingdom and those for whose international relations it is responsible<sup>5</sup> to the extent that and under the conditions which the EU-SADC EPA applied immediately before the EU-SADC EPA ceased to apply to the United Kingdom, and (ii) the territories of the SACU Member States and Mozambique (Article 114).

2.4. The Agreement, in large part, replicates the provisions of the EU-SADC EPA. Part I on Sustainable Development and other areas of cooperation aims to contribute *inter alia* to the reduction and eradication of poverty through a trade partnership consistent with the objective of sustainable development, the SDGs and Annex VII on commitments under the Cotonou Agreement; promote regional integration, economic cooperation and good governance; promote the gradual integration into the world economy of the SACU States and Mozambique and improve their capacity in trade policy and trade related issues; support conditions for increased investment and private sector initiatives in the SACU States and Mozambique; and strengthen relations between the Parties (Article 1). The Parties will also monitor the operation and impact of the Agreement, to ensure its objectives are met, that it is properly implemented and that its benefits, particularly for the most vulnerable groups, are maximized (Article 4). They will cooperate in international fora where issues relevant to the Agreement are discussed (Article 5).

2.5. Part II of the Agreement deals specifically with trade and trade-related matters. The Agreement establishes a free trade area between the Parties, in conformity with Article XXIV of the GATT (Article 20 of Chapter I) while respecting the principle of asymmetry, as required by the specific needs and capacity constraints of SACU and Mozambique in terms of timing and level of commitments.

2.6. A built-in agenda (Article 117) envisages a determination by the Trade and Development Committee of the timeframe to conclude discussions to correct errors jointly identified in the EU-SADC EPA, and to update the tariff schedules in Annexes I, II and III to HS 2017 nomenclature, including reflecting product lines currently listed in Annex I as duty free and quota free. The Parties will also start to review cumulation limitations among SACU Member States and Mozambique no later than 15 months after the entry into force of the Agreement with a view to enhance their development aspects through deepening integration efforts. Other issues shall also be considered in the negotiations such as those listed in Article 117, as well as issues relating to sanitary and phytosanitary measures and technical barriers to trade (Section 3.4.1 below). Article 117 shall also be kept under review and be revised as necessary by the Trade and Development Committee.

<sup>5</sup> The territories are: (a) Gibraltar; (b) the Channel Islands and the Isle of Man; and (c) Anguilla, Cayman Islands, Falkland Islands, South Georgia and the Sandwich Islands, Montserrat, Pitcairn, Saint Helena, Ascension and Tristan da Cunha, British Antarctic Territory, British Indian Ocean Territory, Turks and Caicos Islands, British Virgin Islands and Bermuda.



2.7. The Agreement is to be reviewed no later than five years from its entry into force.<sup>6</sup> The Parties also agree that the Agreement may need to be reviewed in light of further developments in international economic relations and following the expiry of the Cotonou Agreement in 2020 and to take into account the new ACP-EU arrangement that would replace it (Article 115 and Annex VII). Proposals for amendments to the Agreement may be submitted to the Joint Council for consideration and adoption (Article 116). Under Articles 4 and 5 respectively the Parties undertake to continuously monitor the operation and impact of the Agreement and to cooperate in international fora where issues relevant to the Agreement are discussed.

### **3 PROVISIONS ON TRADE IN GOODS**

#### **3.1 Import duties and charges, and quantitative restrictions**

##### **3.1.1 General provisions**

3.1. For all products subject to tariff liberalization under the Agreement no new customs duties shall be introduced nor shall those already applied be increased in trade between the Parties from the entry into force of the Agreement except: (a) if at any moment following the entry into force of the Agreement, any of the Parties raise or reduce applied MFN duties, the rate for tariff preferences that are expressed as a percentage of the applied MFN rate, shall be accordingly increased or decreased as long as the margin of preference indicated in the Party's liberalization Schedule is maintained; (b) products excluded from liberalization under the Agreement (staging category X) and indicated in the Party's liberalization Schedule; and (c) the amount imported in excess of a tariff rate quota quantity, which is excluded from liberalization.

3.2. The UK provides immediate duty free and quota free treatment for imports from Botswana, Eswatini, Lesotho, Mozambique and Namibia; imports from South Africa are liberalized over six years, while SACU and Mozambique liberalize imports from the UK over a transition period of respectively 12 and 10 years. The base rate of duty on which tariff liberalization is based is the MFN rate applied on 10 October 2016 for SACU and the UK and 4 February 2018 for Mozambique. Where tariff liberalization for a product had not started on these dates, the base duty shall be either as above or the MFN rate of duty applied on the starting date of the relevant tariff reduction schedule, whichever is lower. Customs duties shall be levied only once for goods originating in the UK or a SACU Member States or Mozambique when imported by the Parties. Customs duties collected for goods imported by a SACU Member State shall be refunded upon re-export to Mozambique, which will apply the appropriate customs duty on the import (Article 29); the Parties will cooperate to facilitate the circulation of goods and to simplify customs procedures within SACU and Mozambique, in particular, as provided for in Article 13 on cooperation.

3.3. As in the EU-SADC EPA, if after the date of entry into force of the Agreement a Party increases or decreases its MFN rates of duty the corresponding preferential tariff will be adjusted as long as the preference margin committed to in the Agreement is maintained for preferential tariffs expressed as a percentage of the MFN rate. For products whose tariff is expressed as a fixed rate of preferential duty, if the MFN tariff is reduced after entry into force of the Agreement to a rate below the preferential tariff, the lower MFN rate will apply for preferential imports (Article 23). Minimum entry prices for imports from South Africa are referred to in the EPA agreement, but were removed from the UK Global Tariff (UKGT) under the WTO tariff schedule since January 2021; South Africa therefore does not face entry prices in the UK market.

3.4. The MFN clause under the EU-SADC EPA is also included under Article 28 under which the UK will provide to the other Parties (except South Africa) any more favourable treatment resulting from its membership of an RTA with third parties following the signing of the Agreement; the UK and South Africa shall hold consultations to decide whether and how to extend the preferential treatment to South Africa. SACU and Mozambique shall, either individually or collectively, extend such treatment upon request to the UK, if they become party to an RTA with any major trading economy except if the RTA parties are members of the African, Caribbean, Pacific (ACP) group of countries,

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<sup>6</sup> Without prejudice to reviews or revisions envisaged under specific Articles of the Agreement.

following the signing of the Agreement;<sup>7</sup> the Parties shall hold consultations to decide whether and how to provide preferential treatment to the UK.<sup>8</sup>

3.5. Other fees and charges imposed on imports shall not exceed the cost of services rendered and not indirectly protect domestic products or tax imports or exports for fiscal purposes. No party shall impose substantial penalties for minor breaches of customs regulations or procedural requirements; fees and charges will not be imposed for consular requirements (Article 27).

3.6. Import restrictions imposed must conform with the WTO Agreements (Article 39).

### 3.1.2 Liberalization of trade and tariff lines

3.7. As in the EU-SADC EPA, the UK's commitments to liberalize tariffs on imports from Botswana, Eswatini, Lesotho, Mozambique, and Namibia (Table 3.1a) are different from those for South Africa (Table 3.1b). The number of tariff lines may be different from those in the EU-SADC EPA principally due to the HS nomenclature used (2012 for the EU-SADC EPA and 2017 for the Agreement).

3.8. In 2021 47% of the UK's tariff was duty free on an MFN basis, under which between 5% and 54.8% of average imports during 2018-20 entered from all the Parties except South Africa and 80.4% entered from South Africa.<sup>9</sup> Under the Agreement the UK liberalized all but 15 tariff lines in 2021 for imports from Botswana, Eswatini, Lesotho, Mozambique and Namibia.<sup>10</sup> For imports from South Africa the UK liberalized almost 48% of the tariff in 2021, under which 12.8% of imports from South Africa entered in 2018-20. A further 38 lines (0.4% of the tariff) are to be liberalized in 2025, under which a small share of total imports entered in 2018-20. Following implementation, 4.7% of the UK tariff (448 lines) will remain subject to duty for imports from South Africa which accounted for 7% of the UK's imports from South Africa in 2018-20.<sup>11</sup>

**Table 3.1a United Kingdom: Tariff elimination commitments under the Agreement and corresponding average trade from Botswana, Eswatini, Lesotho, Mozambique, Namibia**

Duty phase-out period	No. of lines	% of lines in UK tariff	UK imports (2018 - 2020)									
			Value (USD million)					Percentage of Imports (%)				
			Botswana <sup>a</sup>	Lesotho	Mozambique	Namibia	Eswatini	Botswana <sup>a</sup>	Lesotho	Mozambique	Namibia	Eswatini
2021 (MFN)	4,462	47.0	0.3	0.2	13	12	3	5.0	54.8	20.3	33.8	18.6
2021	5,017	52.8	5.9	0.2	50	24	14	95.0	45.2	79.7	66.2	81.4
Remain dutiable	15	0.2	0.0	0.0	0	0	0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>9,494</b>	<b>100</b>	<b>6.3</b>	<b>0.4</b>	<b>63</b>	<b>36</b>	<b>18</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Note: Tariff lines subject to in-quota rates are excluded from the computations. Based on the HS 2017 nomenclature. Import coverage is from HS chapters 1-97. Import values were reported in GBP and converted into USD using the exchange rates of 0.7495 (2018), 0.7834 (2019) and 0.7800 (2020).

Source: WTO estimates based on data provided by the UK authorities and the WTO-IDB.

<sup>7</sup> Major trading economy is defined as any developed country or any country accounting for a share of world merchandise exports above 1% in the year before the entry into force of that [third party] agreement, or any group of countries acting individually, collectively or through an economic integration agreement accounting collectively for a share of world merchandise exports above 1.5% in the year of entry into force of that agreement.

<sup>8</sup> The Joint Council may decide to amend the provisions of the Agreement to extend such preferential treatment by either Party in accordance with Article 116.

<sup>9</sup> The UK's MFN tariff consisted of 9,494 lines in 2021 of which 90.7% had *ad valorem* rates of duty, while around 7% and 2% respectively had specific and compound rates; four lines had mixed rates of duty.

<sup>10</sup> The factual presentation of the EU-SADC EPA shows that 153 lines remain dutiable once the EU-SADC EPA is implemented. Of these, 18 fall under HS Chapter 93 (22 under the UK tariff, of which 7 lines are duty free on an MFN basis) while for the remaining lines shown as dutiable, the out of quota duties are the current applied MFN rates, as a result of which these lines are treated as not liberalized under the EU-SADC EPA.

<sup>11</sup> The factual presentation of the EU-SADC EPA shows that 4.3% (401 lines) of the tariff remains dutiable for EU imports from South Africa.

**Table 3.1b United Kingdom: Tariff elimination commitments under the Agreement and corresponding average trade from South Africa**

Duty phase-out period	Tariff lines in UK's schedule		UK's imports (2018-20)	
	Number	%	Value (USD million)	%
2021 (MFN)	4,462	47.0	6,375	80.2
2021	4,546	47.9	1,019	12.8
2025	38	0.4	0.3	0.0
Remain dutiable	448	4.7	557	7.0
<b>Total</b>	<b>9,494</b>	<b>100</b>	<b>7,950</b>	<b>100</b>

Note: Tariff lines subject to in-quota rates are excluded from the computations. Based on the HS 2017 nomenclature. Import coverage is from HS chapters 1-97. Import values were reported in GBP and converted into USD using the exchange rates of 0.7495 (2018), 0.7834 (2019) and 0.7800 (2020).

Source: WTO estimates based on data provided by the UK authorities and the WTO-IDB.

3.9. Table 3.2 shows liberalization commitments by SACU Members for imports from the UK. In 2021 almost 54% of SACU tariffs were duty free on an MFN basis under which between 50.1% and 81.1% of average SACU State imports from the UK entered during 2018-2020.<sup>12</sup> In 2021 46.7% of the tariff was liberalized for imports from the UK, under which between 7.4% and 26.4% of average imports during 2018-20 entered from the UK. A further 62 lines (0.8% of the tariff) are to be liberalized in 2025, which correspond to a minor share of imports from the UK. Once the Agreement is fully implemented 13.5% of the tariff will remain subject to duty for imports from the UK<sup>13</sup>; during 2018-20 between 11.5% and 23.5% of imports from the UK entered under these lines.

**Table 3.2 SACU (Botswana, Eswatini, Lesotho, Namibia, South Africa): Tariff elimination commitments under the Agreement and corresponding average trade**

Duty phase-out period	Tariff lines in SACU's schedule		SACU's imports from UK (2018-2020)	
	Number	%	Value (USD million)	%
<b>Botswana</b>				
2021 (MFN)	4,346	53.9	42.4	81.1
2021	2,561	31.8	3.9	7.4
2025	62	0.8	0.0	0.0
Remain dutiable	1,091 <sup>a</sup>	13.5	6.0	11.5
<b>Total</b>	<b>8,060</b>	<b>100.0</b>	<b>52.3</b>	<b>100.0</b>
<b>Eswatini</b>				
2021 (MFN)	4,346	53.9	4.6	50.1
2021	2,561	31.8	2.4	26.4
2025	62	0.8	0.0	0.0
Remain dutiable	1,091 <sup>a</sup>	13.5	2.2	23.5
<b>Total</b>	<b>8,060</b>	<b>100.0</b>	<b>9.3</b>	<b>100.0</b>
<b>Lesotho</b>				
2021 (MFN)	4,346	53.9	1.3	66.5
2021	2,561	31.8	0.2	10.6
2025	62	0.8	0.0	0.0
Remain dutiable	1,091 <sup>a</sup>	13.5	0.4	22.9
<b>Total</b>	<b>8,060</b>	<b>100.0</b>	<b>1.9</b>	<b>100.0</b>
<b>Namibia</b>				
2021 (MFN)	4,346	53.9	85.3	77.9
2021	2,561	31.8	8.5	7.8
2025	62	0.8	0.0	0.0
Remain dutiable	1,091 <sup>a</sup>	13.5	15.7	14.4

<sup>12</sup> The SACU's MFN tariff in 2021 consisted of 8,060 lines at the 8-digit level of which almost 96% had *ad valorem* rates of duty. Of the remaining lines 2.15% had specific duties, and 1.61% mixed rates; 21 lines apply only to imports from Switzerland.

<sup>13</sup> The factual presentation of the EU-SADC EPA shows that 13.9% (1,037 lines) of SACU tariff lines will remain dutiable for imports from the EU once the agreement is implemented.

Duty phase-out period	Tariff lines in SACU's schedule		SACU's imports from UK (2018-2020)	
	Number	%	Value (USD million)	%
			Botswana	
<b>Total</b>	<b>8,060</b>	<b>100.0</b>	<b>109.5</b>	<b>100.0</b>
			South Africa	
2021 (MFN)	4,346	53.9	1,691.0	69.0
2021	2,561	31.8	475.1	19.4
2025	62	0.8	0.1	0.0
Remain dutiable	1,091 <sup>a</sup>	13.5	284.1	11.6
<b>Total</b>	<b>8,060</b>	<b>100.0</b>	<b>2,450.3</b>	<b>100.0</b>

a There are 21 tariff lines which only refer to imports from Switzerland. They are included for the completeness of the tariff line count but are excluded from the calculation of the average.

Note: Tariff and import coverage is from HS chapters 1-97. Tariff lines subject to in-quota rates are excluded in the computation. Based on the HS 2017 nomenclature.

Source: WTO estimates based on the data in the WTO-IDB, information from the Agreement, ITC-TradeMap and UNSD, Comtrade database.

3.10. Table 3.3 shows tariff elimination by Mozambique for imports from the UK. In 2021 almost 12% of Mozambique's tariff was duty free on an MFN basis, under which 6.9% of imports from the UK entered during 2018-20.<sup>14</sup> In 2023 Mozambique liberalized 27.5% of the tariff for imports from the UK, under which almost 49% of imports from the UK entered in 2018-20. Further liberalization of 52 lines is scheduled in 2028; around 4.4% of imports from the UK entered in 2018-20 under these lines. At the end of implementation 59.7% of Mozambique's tariff will remain dutiable for imports from the UK<sup>15</sup>; almost 40% of imports from the UK entered Mozambique under these lines during 2018-20.

**Table 3.3 Mozambique: Tariff elimination commitments under the Agreement and corresponding average trade**

Duty phase-out period	Tariff lines in Mozambique's schedule		Mozambique's imports from UK (2018-2020)	
	Number	%	Value (USD million)	%
2021 (MFN)	659	11.9	7.5	6.9
2023	1,524	27.5	53.1	48.9
2028	52	0.9	4.7	4.4
Remain dutiable	3,315	59.7	43.3	39.9
<b>Total</b>	<b>5,550</b>	<b>100.0</b>	<b>108.5</b>	<b>100.0</b>

Note: Based on the HS 2017 nomenclature.

Source: WTO estimates based on the preferential tariffs constructed from the Agreement, ITC Macmap, WTO-IDB and UNSD, Comtrade database.

### 3.1.3 Liberalization schedule

3.11. The UK liberalizes all but 15 lines for imports from Botswana, Eswatini, Lesotho, Mozambique and Namibia, all of which fall under HS Section XIX (arms and ammunition) and are subject to a current average MFN rate of 2%. For imports from South Africa the majority of tariff liberalization took place in 2021 with liberalization across most HS Sections. A further 38 lines are to be liberalized in HS Sections I and IV. Most of the lines that will remain dutiable concern agricultural products, with average applied tariffs on dutiable lines ranging from 4.7% in Section XV (base metals) to 12.2% in Section IV (prepared foodstuffs). The tariff lines remaining dutiable once the Agreement is implemented are found across most HS Chapters although additional preferences are provided in

<sup>14</sup> Mozambique's MFN tariff consisted of 5,550 lines at the 8-digit level all of which had *ad valorem* rates.

<sup>15</sup> The factual presentation of the EU-SADC EPA shows that 3,408 lines (44.5% of the tariff) will remain dutiable for imports from the EU once the agreement is implemented.

certain Chapters, notably HS 7, 8, 11, 17-19, 21 and 38, for which the average preferential rate for imports from South Africa is lower than the applied MFN average rate in 2021 (Chart 3.1).

**Table 3.4 United Kingdom: Tariff elimination under the Agreement, by HS Section, for South Africa**

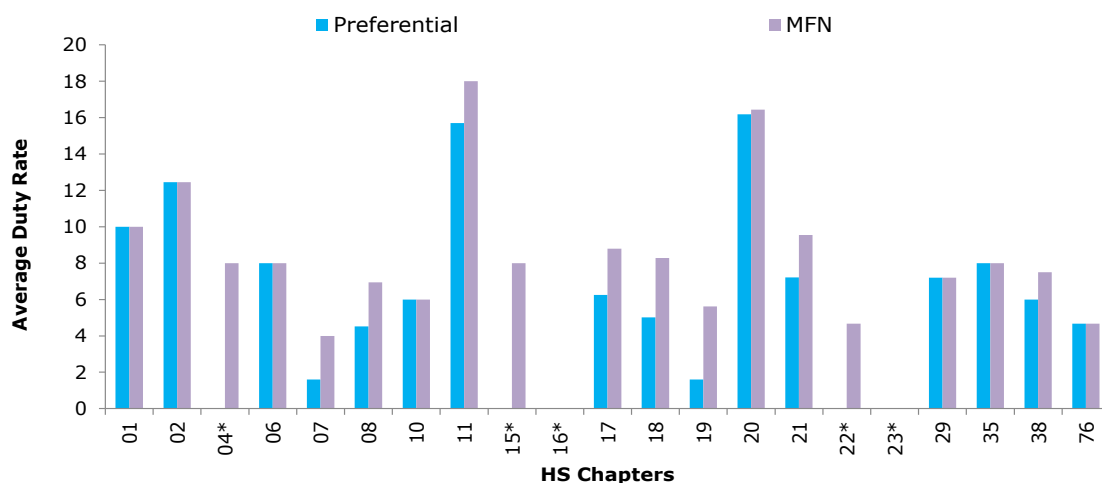
HS Section	MFN average %	Number of lines	Duty-free lines under the MFN 2021	Number of duty-free lines under the Agreement		Number of lines remaining dutiable	Avg. Final Tariff (Dutiable)
				2021	2025		
I	8.9	956	109	767	24	56	11.5
II	4.4	554	213	278		63	5.6
III	4.8	129	30	97		2	*
IV	12.9	869	119	431	14	305	12.2
V	0.4	231	202	29			
VI	2.7	1,226	550	657		19	6.9
VII	3.7	301	86	215			
VIII	1.4	130	73	57			
IX	1.1	235	189	46			
X	0.0	195	195				
XI	7.0	1,149	243	906			
XII	7.3	106	17	89			
XIII	2.0	234	162	72			
XIV	0.5	58	47	11			
XV	0.6	955	804	148		3	4.7
XVI	0.7	1,338	981	357			
XVII	3.7	286	121	165			
XVIII	0.6	299	218	81			
XIX	1.4	22	7	15			
XX	1.4	214	89	125			
XXI	0.0	7	7				
<b>Total</b>	<b>3.8</b>	<b>9,494</b>	<b>4,462</b>	<b>4,546</b>	<b>38</b>	<b>448</b>	<b>11.0</b>

\* Remain dutiable tariffs lines subject to specific rates only.

Note: Based on the HS 2017 nomenclature. Tariff lines subject to in-quota rates are excluded from the computations. For the calculation of averages, specific rates are excluded, and the *ad valorem* part of alternate rates are included. For the tariff lines subject to seasonal duties, the average rate for the entire year is used for the calculation. Products classified beyond the HS 8-digit level are counted as one and their tariff rates are averaged at the 8-digit level.

Source: WTO estimates based on data provided by the UK authorities.

**Chart 3.1 United Kingdom: Average of dutiable rates, by HS Chapter from South Africa**



Note: \*Subject to non-*ad valorem* tariffs. Tariff lines subject to in-quota rates are excluded in the computation; for the calculation of averages, specific rates are excluded and the *ad valorem* parts of alternate rates are included. Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by the UK.

3.12. Table 3.5 shows tariff elimination under the Agreement by SACU by broad HS Section. The majority of liberalization took place in 2021, with most HS Sections covered. A further 56 and 6 lines respectively will be liberalized in HS Sections I and IV in 2025. Following the implementation of the Agreement tariff lines will remain dutiable for imports from the UK in a number of HS Sections, especially XI (textiles and textile articles) and XVII (vehicles) with average MFN duties for the lines remaining dutiable ranging from 10% for HS II to 53.7% for HS I. For the lines not liberalized at the end of implementation additional preferences are provided by SACU in a number of HS Chapters, mostly concerning industrial products (Chart 3.2). Average preferential rates for tariff lines remaining dutiable range from 7.5% (HS Chapter 29) to 25.8% (HS Chapter 61).

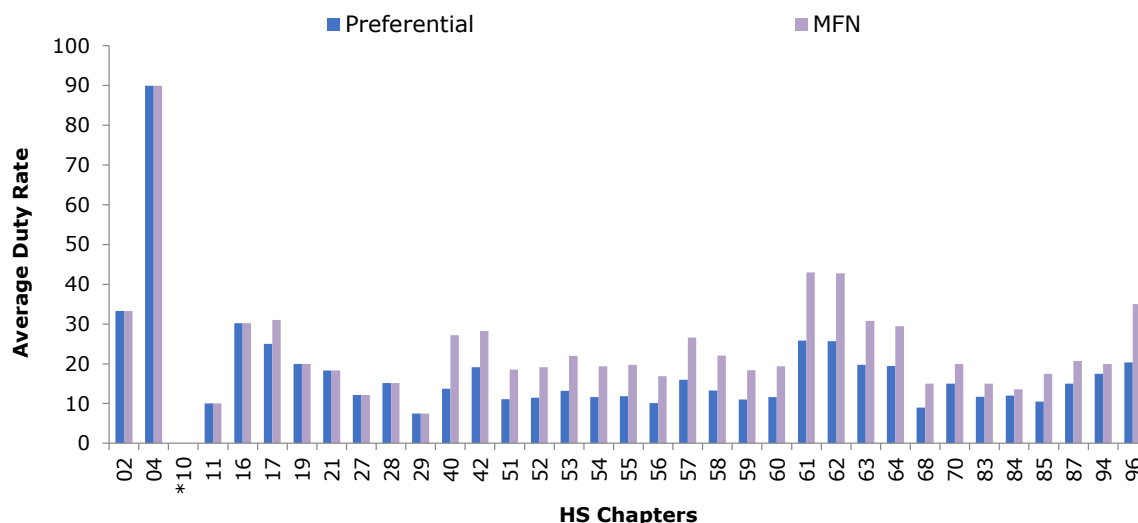
**Table 3.5 SACU: Tariff elimination under the Agreement, by HS Section**

HS Section	MFN 2021			Duty Free lines under the Agreement		Remain Dutiable	Average Dutiable Tariff
	Average Tariff (%)	Number of lines	Duty free lines				
				2021	2025		
I	14.0	505	303	78	56	68 <sup>a</sup>	53.7
II	7.0	442	196	232		14 <sup>a</sup>	10.0
III	7.6	87	21	66			
IV	16.3	444	89	310	6	39 <sup>a</sup>	25.4
V	1.7	189	156	18		15	12.1
VI	1.8	1,352	1,160	187		5	12.1
VII	7.6	473	214	240		19	13.7
VIII	11.1	92	42	27		23	19.2
IX	7.4	170	84	86			
X	3.6	203	151	52			
XI	22.5	999	179	101		719	17.2
XII	22.9	104	15	36		53	19.4
XIII	7.4	219	89	125		5	12.6
XIV	4.1	62	49	13			
XV	7.3	808	368	437		3	11.7
XVI	3.7	1,073	792	269		12	11.8
XVII	10.5	296	138	50		108	15.0
XVIII	0.3	214	209	5			
XIX	13.4	66	7	59			
XX	13.8	255	77	170		8	19.6
XXI	0.0	7	7				
Total	8.8	8,060	4,346	2,561	62	1,091 <sup>a</sup>	19.1

a There are 21 tariff lines which only refer to products imported from Switzerland. These tariff lines are only included for the completeness of the tariff line count but are excluded in the tariff average calculation. HS Section I (5 tariff lines) HS Section II (2 tariff lines) HS Section IV (14 tariff lines)

Note: Tariff lines subject to in-quota rates are excluded in the computation; For the calculation of averages, specific rates are excluded, and the *ad valorem* parts of alternate rates are included. Based on the HS 2017 nomenclature.

Source: WTO estimates based on data in the WTO-IDB and information from the Agreement.

**Chart 3.2 SACU (Botswana, Eswatini, Lesotho, Namibia and South Africa): Average of dutiable rates, by HS Chapter**

Note: \*HS chapter 10 contains specific duties only. Tariff lines subject to in-quota rates are excluded in the computation; for the calculation of averages, specific rates are excluded and the *ad valorem* parts of alternate rates are included. Excludes HS Chapters 13, 20, 23 and 24 (13 tariff lines) and the tariff line count in the HS chapters 2, 4, 11, 21 (8 tariff lines) which all belong to 21 tariff lines that are solely imported from Switzerland and are not included in the calculation of tariff averages. Based on the HS 2017 nomenclature.

Source: WTO estimates based on the data in the WTO-IDB and information from the Agreement.

3.13. The majority of Mozambique's tariff elimination is due to take place in 2023 across most HS Sections (Table 3.6). This will be followed by further liberalization in 2028 mostly of agricultural products. Tariffs will however remain in all HS Sections once the Agreement is implemented, with average rates on dutiable lines ranging from between 4.1% in HS Section V (mineral products) to 20% in HS Section XIX (arms and ammunition). For the HS Chapters in which tariffs remain for imports from the UK, no additional preferences are provided (Chart 3.3), with average MFN rates ranging from 2.5% to 20% in a number of HS Chapters.

**Table 3.6 Mozambique: Tariff elimination under the Agreement, by HS Section**

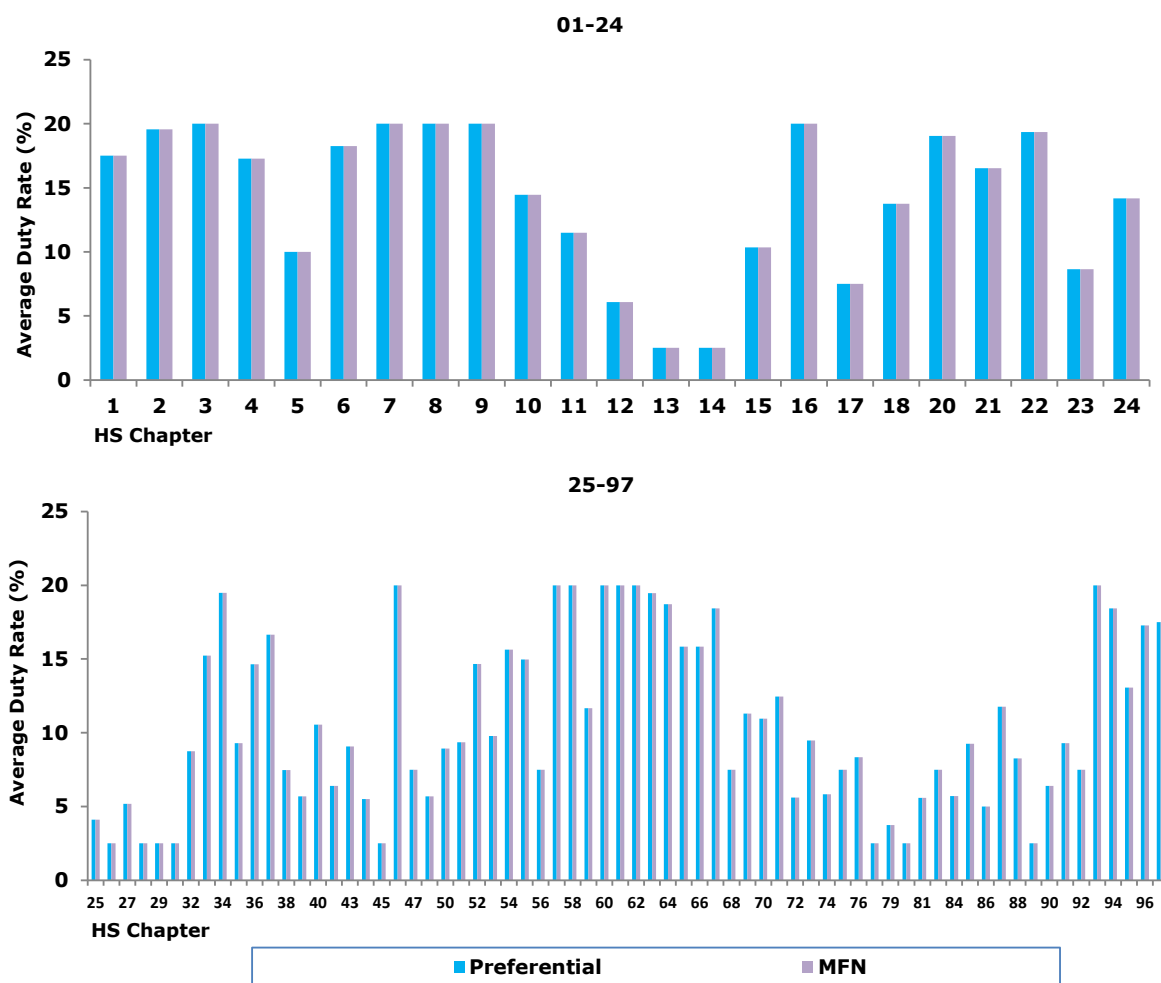
HS Section	MFN 2021			Duty Free lines under the Agreement		Remain Dutiable	Average Dutiable Tariff
	Average Tariff (%)	Number of lines	Duty free lines				
				2023	2028		
I	17.0	393	40	7	6	340	19.1
II	11.8	326	66	47	4	209	15.9
III	10.4	50				50	10.4
IV	14.9	234	9	37	11	177	16.5
V	4.1	167	4	2	1	160	4.1
VI	4.5	875	170	6	2	697	5.5
VII	4.4	224	88	100	7	29	8.7
VIII	7.3	69	3	31		35	7.0
IX	5.4	121	20	75		26	7.5
X	5.0	143	35	81		27	6.8
XI	14.2	805	31	185		589	17.0
XII	17.5	53	1			52	17.8
XIII	9.2	143	2	13		128	9.8
XIV	12.5	53				53	12.5
XV	6.3	566	28	166	9	363	6.9
XVI	3.6	789	152	557	7	73	6.7

HS Section	MFN 2021			Duty Free lines under the Agreement		Remain Dutiable	Average Dutiable Tariff
	Average Tariff (%)	Number of lines	Duty free lines				
				2023	2028		
XVII	8.3	178	1	34	5	138	9.8
XVIII	5.8	210	4	178		28	8.0
XIX	20.0	18				18	20.0
XX	15.7	126	5	5		116	16.7
XXI	17.5	7				7	17.5
Total	8.6	5,550	659	1,524	52	3,315	11.6

Note: Based on the HS 2017 nomenclature.

Source: WTO estimates based on the preferential tariffs constructed from the Agreement and ITC Macmap.

**Chart 3.3 Mozambique: Average of dutiable rates, by HS Chapter**



Based on the HS 2017 nomenclature.

Source: WTO estimates based on tariff data constructed by the WTO: MFN rates from ITC, MacMap, preferential tariffs from the categories in the Agreement (transposed from HS 2012 to HS 2017).

### 3.1.4 Tariff rate quotas

3.14. Tariff rate quotas (TRQs) are maintained by the UK for imports from South Africa only and by SACU for imports from the UK. The UK maintains TRQs on dairy products, flowers, fruit, sugar, canned fruit, juices, yeast, wine and ethanol while SACU maintains TRQs on wheat and meslin,



barley, cheese, pig fat, cereal based food preparations, pork and dairy products. In-quota rates for UK TRQs are zero for all products except citrus jams, canned fruit (tropical and other), and apple juice. SACU in-quota rates are zero for pig fat, cheese, wheat and meslin and barley while in quota rates are either 25% or 50% of the applied MFN rate. Quota quantities for some products (for example cheese for SACU or canned tropical fruit for the UK) are increased over time but maintained indefinitely, while for some in-quota duties are reduced annually (for example butter and dairy and pork for SACU) or eliminated (for example UK TRQs for canned fruit). Out of quota rates are treated as lines excluded from tariff liberalization and are therefore subject to the applied MFN rate (Annex 2 below provides more detailed information on TRQs).

3.15. Origin quotas for tuna are provided for Namibia (section 3.2).

### 3.2 Rules of origin

3.16. The Agreement's rules of origin are covered by Article 22, Protocol 1 and Joint Declarations A-D. Goods considered to be originating in a Party are those wholly obtained in that Party and products obtained in that Party incorporating materials which have not been wholly obtained there, provided that the materials have undergone sufficient working or processing in the Parties as required under Annex II to Protocol 1. For goods that are not wholly obtained in the Parties, substantial transformation of non-originating materials is required either through a change in tariff classification (CTC) at the Chapter or heading level; specific processing or manufacturing; or rules whereby the maximum value of non-originating material used in a product cannot exceed a given percentage of the ex-works price of the product. More lenient rules of origin are provided through origin quotas for exports of tuna from Namibia to the UK<sup>16</sup>; the annual quota volume is 254 metric tonnes.

3.17. The Agreement permits bilateral cumulation between a SACU Member State or Mozambique and the UK as well as diagonal cumulation between the Parties. Materials originating in the UK shall be considered as originating in a SACU Member State or Mozambique when incorporated into products obtained in the latter territories and materials originating in a SACU Member State or Mozambique shall be considered as originating in the UK when incorporated into a product obtained in the UK provided in both cases that the working or processing goes beyond operations considered to be insufficient under Article 9 of the Agreement (Article 3).

3.18. Diagonal cumulation (Article 4 of the Protocol) applies to materials originating in the Parties, other ACP EPA States and UK Overseas Countries and Territories (UK OCTs)<sup>17</sup> provided the rules of origin under the Agreement and the UK's preferential arrangements with the other countries and territories are met and there is an agreement on administrative cooperation between them.<sup>18</sup> Under paragraph 2 of Article 4 diagonal cumulation does not apply for: (i) materials under HS Headings 1604 and 1605 originating in the Pacific ACP States under the UK-Pacific States Interim EPA and any future preferential trading agreement between the UK and the Pacific States and (ii) for products originating in South Africa that cannot be imported duty free into the UK. Diagonal cumulation where the final goods are exported to SACU does not apply to: (i) materials originating in non-SACU States of SADC which do not enjoy duty free, quota-free access to SACU under the SADC Protocol on Trade and (ii) originating in the UK OCTs or ACP EPA States other than the non-SACU SADC States which cannot be imported into SACU duty free, quota free. Where the final product is exported to Mozambique, diagonal cumulation does not apply to materials originating in UK OCTs or other ACP EPA states which cannot be imported directly into Mozambique duty-free quota free (paragraph 16 of Article 4).

<sup>16</sup> These fall under the following lines at the 10-digit level: 1604144130, 1604144692, 1604144697, 1604144830, 1604207092, and 1604207097.

<sup>17</sup> UK OCTs are: Anguilla, Bermuda, Cayman Islands, Falkland Islands, South Georgia and South Sandwich Islands, Montserrat, Pitcairn, Saint Helena and its Dependencies, British Antarctic Territory, British Indian Ocean Territory, Turks and Caicos Islands and British Virgin Islands (Annex VIII to Protocol 1).

<sup>18</sup> The UK's notice of fulfilment of cumulation with trading partners (updated to 13 October 2022) is available at: <https://www.gov.uk/government/publications/notice-of-fulfilment-from-the-united-kingdom-on-cumulation-with-trading-partners-december-2020/notice-of-fulfilment-from-the-united-kingdom-on-cumulation-with-trading-partners-31-december-2020>. When the working or processing carried out in a SACU Member State, Mozambique or the UK does not go beyond insufficient operations the product shall be considered originating in that Party only when the value added there is greater than of the value-added in any one of the other countries or territories.

3.19. Under a new Article 4A in the Protocol materials originating in the EU (but not from the territories of Ceuta and Melilla) shall be considered as originating in a SACU Member State, Mozambique or the UK when incorporated into a product obtained in a SACU Member State, Mozambique or the UK respectively provided that working or processing goes beyond operations considered to be insufficient.<sup>19</sup> Cumulation with the EU shall apply if a trade agreement under Article XXIV of the GATT is in force between the countries involved in the acquisition of the originating status and the country of destination; the origin of the materials from the EU shall be determined using identical rules of origin to those in Protocol 1 of the Agreement; notices indicating the fulfilment of the necessary requirements to apply cumulation are published by the Parties. Under Joint Declarations the Parties agree that products under HS 25-97 originating in the Principality of Andorra and the Republic of San Marino shall be accepted by the Parties as originating in the EU.<sup>20</sup> The Parties also agree under a Joint Declaration that following an agreement between the UK and the EU they will take the necessary steps to update Protocol 1 and to consider any relevant developments; according to the Parties no changes have been made to date.

3.20. Cumulation for non-originating materials that have duty free entry into the UK market on an MFN basis, as under the EU-SADC EPA, is permitted regardless of whether they have undergone sufficient working or processing (Article 5). Similarly, materials originating in other countries benefiting from duty-free, quota-free treatment under the UK's Generalized System of Preferences (GSP) shall be treated as originating in a SACU Member State or Mozambique if incorporated into a product there, provided they have undergone working or processing that goes beyond operations considered to be insufficient (Article 6).<sup>21</sup> The UK can notify certain modifications to the cumulation arrangements for GSP duty-free materials to the Trade and Development Committee and SACU members and Mozambique can request that materials originating in countries or territories benefiting from arrangements or agreements providing duty free quota free access to the UK market be considered originating in a SACU member State or Mozambique.<sup>22</sup> In support of African integration, the Parties will consider the possibility of whether an agricultural product originating in a non-ACP African party can be subject to cumulation under Article 6 (paragraph 2). Furthermore, cumulation only applies if all the Parties concerned have entered into an arrangement or agreement on administrative cooperation with each other ensuring a correct application of Article 6 and which includes a reference to the use of appropriate proofs of origin.<sup>23</sup>

3.21. The absorption principle and *de minimis* provisions of up to 15% of the ex-works price of the product (except for HS 50-63) or any other percentages in Annexes II or II(a) are recognized by Article 8 of the Protocol and are unchanged from the EU-SADC EPA provisions.

3.22. There are no changes to the requirements regarding certificates of origin, the conditions for making an origin declaration and verification procedures from provisions in the EU-SADC EPA. Approved exporters may be authorized as under the EU-SADC EPA. Disputes arising from origin verification which cannot be settled between the customs authorities requesting verification and those responsible for verification shall be submitted to the Trade and Development Committee. Under Article 113 of the Agreement and Joint Declaration A under Annex IX to Protocol 1, the UK

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<sup>19</sup> The origin of the materials originating in the EU shall be determined according to the rules of origin of Protocol 1 and in accordance with Article 30 on the information procedure for cumulation. If working or processing carried out in one of the Parties does not go beyond insufficient operations, the value added in that Party must be greater than the value of the materials used in any one of the other countries or territories in order to be considered originating.

<sup>20</sup> Joint Declarations B and C under Annex IX to Protocol 1.

<sup>21</sup> This applies to countries or territories that benefit from duty-free, quota-free access to the UK market under a UK Generalized Scheme of Preferences (GSP) notified to the Trade and Development Committee, not granted under an enhanced arrangement under the GSP and provided the materials were subject to cumulation under the EU-SADC EPA on the date it ceased to be applicable to the UK.

<sup>22</sup> Cumulation shall not apply to materials: under HS 1-24 and listed in Annex 1 to the WTO Agreement on Agriculture unless they have duty free quota free access to the UK under an agreement other than an EPA between an ACP State and the UK; which at importation into the UK are subject to anti-dumping or countervailing duties when originating from a country subject to such duties; or classified in HS subheadings which include 8 digit lines which are not duty free.

<sup>23</sup> SACU and Mozambique will provide the UK with details of agreements on administrative cooperation with the other countries or territories referred to in Article 6 and the UK shall publish under its own procedures the date on which cumulation provided under Article 6 may be applied with these countries or territories which have fulfilled the necessary requirements.

may provide capacity building (including through seminars, expert visits and training) to the SACU Member States and Mozambique to help prepare for the implementation of the rules of origin.

3.23. Title V on administrative cooperation is also unchanged from the EU-SADC EPA. The Parties will put in place the necessary national and regional arrangements required for the implementation and enforcement of rules and procedures in Protocol 1 and the administrative structures needed for appropriate management and control of the origin of products and compliance with other conditions in the Protocol (Article 35). They shall exchange information on customs authorities responsible for issuing and verifying certificates of origin and any changes to these (Article 36) and provide each other with mutual assistance (Article 37). Verification of proof of origin (Article 38) and suppliers declarations (Article 39) is to be based on risk analysis and at random or whenever the customs authorities of the importing Party have reasonable doubts on the authenticity of the documents. If they decide to suspend preferential treatment while verification is ongoing, they shall offer to release the products to the importer subject to any precautionary measures judged necessary. Disputes on verification which cannot be settled between the customs authorities shall be submitted to the Committee (Article 40). The Joint Council shall examine annually or whenever requested by the Parties, the application of the provisions of the Protocol and their economic effects, and make any necessary amendments and adaptations, taking into account *inter alia*, the effects of technological developments on the rules of origin (Article 45).

### **3.3 Export duties and charges, and quantitative restrictions**

3.24. The provisions on export duties, charges and quantitative restrictions are unchanged from those in the EU-SADC EPA. Under Article 26 the Parties confirm that no new duties or taxes on exports shall be introduced, while those currently applied will not be increased from the date of entry into force of the Agreement. Exceptions apply to circumstances in all SACU States except South Africa, and Mozambique for specific revenue needs or for the protection of infant industries or the environment, for the prevention or relief of critical general or local shortages of foodstuffs or other products essential to ensure food security. In such cases, following consultations with the United Kingdom, the eligible SACU States and Mozambique may impose temporary duties or taxes on exports on a limited number of additional products. The Parties indicate that the UK does not maintain or apply any export duties or taxes; and SACU States and Mozambique eligible for these provisions have not implemented export duties or taxes since entry into force of this agreement

3.25. The SACU States and Mozambique may also introduce temporary export duties on eight products (at the HS6 level or at the HS 4 level for ores and concentrates) exported to the UK in exceptional circumstances, justifying industrial development needs and following consultations with the UK upon request. The measures can be taken at any time and shall not exceed 12 months, extendable following consultations with the UK. The conditions for the application of temporary export duties on the eight products are unchanged: (i) For the first six years of this period the SACU State and Mozambique shall exempt from the application of the tax or duty, exports to the UK of an annual amount equal to the average volume of exports to the UK of the product over the three years preceding the date of introduction of the duty or tax. From the seventh year of application of the duty or tax, until the date of expiry, the SACU State and Mozambique shall exempt from the application of the duty or tax, exports to the UK on an annual amount equal to 50% of the average volume of exports to the UK of the product over the three years preceding the date of introduction of the tax; and (ii) the export duties or taxes shall not exceed 10% of the *ad valorem* export value of the product. Apart from duties on exports of scrap metal from South Africa, none of the other Parties have imposed export duties since the entry into force of the Agreement.

3.26. Any more favourable treatment granted for exports by a SACU Member State or Mozambique to exports from a major trading economy shall be afforded for exports of like products to the UK as well.<sup>24</sup> Suspicions of circumvention through third parties of re-exports from the UK to which duties do not apply, are examined by the Trade and Development Committee which may require a declaration by the importer in the UK that the imported products will be processed in the UK and not re-exported to third countries. Further steps include discussions in the Committee if the SACU

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<sup>24</sup> Major trading economy is defined in Article 28(6) of the Agreement as "any developed country or any country accounting for a share of world merchandise exports above 1% in the year before entry into force of the agreement (with any of the SACUM Parties), or any group of countries acting individually, collectively or through an economic integration agreement accounting collectively for a share of merchandise exports above 1.5% in the year before the entry into force of this Agreement."

State or Mozambique continues to have doubts as to whether such circumvention continues, and if no solution is found within 30 days, the SACU State or Mozambique may impose effective measures to prevent such circumvention; such measures should be the least trade-restrictive and exclude operators who have been proven not to have been involved in the circumvention and may include the retroactive application of export duties on the consignment exported from the UK to one or more third countries.

3.27. The Parties will review Article 26 in the Joint Council no later than 3 years after entry into force of the Agreement taking fully into account their impact on development and diversification of the SACU States' and Mozambique's economies.

### **3.4 Regulatory provisions of the agreement**

#### **3.4.1 Standards**

##### **3.4.1.1 Sanitary and phytosanitary measures**

3.28. The provisions on sanitary and phytosanitary measures are mostly unchanged from the EU-SADC EPA. The Parties reaffirm their rights and obligations under the WTO Agreement on Sanitary and phytosanitary (SPS) measures (SPS Agreement), the International Plant Protection Convention (IPPC), the Codex Alimentarius Commission and the World Organization for Animal Health (WOAH) (Article 59). The objectives of the Agreement are unchanged and include the facilitation of trade and investment in the SACU Member States and Mozambique and between the Parties, ensuring that only SPS measures necessary to protect animal or plant life or health in accordance with the WTO SPS Agreement are adopted; as well as cooperate on SPS matters to strengthen regional integration; and establish and enhance SACU members and Mozambique's technical capacity to implement and monitor SPS measures including the promotion of greater use of international standards (Article 60). The Parties agree to promote cooperation between their equivalent institutions, to facilitate regional harmonization of measures and the development of appropriate regulatory frameworks and policies between SACU members and Mozambique and in a number of priority areas (Article 67).

3.29. Transparency provisions include effective measures for consultation, notification and exchange of information on SPS measures in accordance with the WTO SPS Agreement (Article 63); the establishment of competent authorities (Article 62) and the exchange of information through an early warning system to inform SACU members and Mozambique in advance of new UK SPS measures that may affect their exports to the UK (Article 64).

3.30. The role of the Trade and Development Committee to monitor, review, advise and make recommendations on SPS matters is also unchanged (Article 65).

3.31. Any disagreements between the Parties on market access, shall be subject to consultations. (Article 66). Disputes can also be resolved through the Dispute Avoidance and Settlement Provisions under Part III of the Agreement.

##### **3.4.1.2 Technical barriers to trade**

3.32. The provisions on technical barriers to trade (TBT) are the same as in the EU-SADC EPA. The Parties reaffirm their commitments to the rights and obligations under the WTO Agreement on TBT (Article 51). They agree to *inter alia*: cooperate to facilitate and increase trade between them by identifying, preventing and eliminating unnecessary barriers to trade in terms of the WTO TBT Agreement; cooperate to strengthen regional, especially SACU members and Mozambique's, integration and cooperation on TBT matters; and establish and enhance SACU members and Mozambique's technical capacity on TBT matters (Article 52). In this regard they agree that collaboration between national and regional authorities dealing with TBT matters in the public and private sectors is important for facilitating trade and for regional integration and agree to cooperate to this end (Article 54).

3.33. The Parties reaffirm the principle of transparency, in the application of technical regulations and standards in accordance with the WTO TBT Agreement as well as the importance of effective mechanisms for consultation, notification and exchange of information on these issues. They agree to establish an early warning mechanism to ensure that SACU members and Mozambique are

informed in advance of new UK measures that might affect their exports to the UK, making optimal use of existing mechanisms and avoiding unnecessary duplications to multilateral or unilateral mechanisms (Article 55). The Parties agree to identify and implement mechanisms including those identified in Article 56 that are the most appropriate for particular priority issues or sectors. These include collaboration, exchanging information and promoting harmonization, whenever possible, in areas of mutual interest, towards international standards.

3.34. Provisions concerning the importation and marketing of wine products and spirits originating in South Africa and the UK are in Annex II to Protocol 3 of the Agreement as well as rules on importation, labelling and marketing applicable to these products (Section C) and import certification (Appendix to Annex II) along with joint declarations on bottle sizes and alcoholic strength of spirits and certification and analysis.

3.35. The role of the Trade and Development Committee in monitoring, reviewing and making recommendations on the Chapter is unchanged from the EU-SADC EPA (Article 57) as are cooperation measures for capacity building and technical assistance (Article 58).

### **3.4.2 Safeguard mechanisms**

#### **3.4.2.1 Global safeguards<sup>25</sup>**

3.36. As in the EU-SADC EPA the Parties may take safeguard measures under Article XIX of GATT 1994, the WTO Agreement on Safeguards, Article 5 of the Agreement on Agriculture and any other relevant WTO Agreement (paragraph 1 of Article 33). However, in light of the overall development objectives of the Agreement and the small size of the economies of SACU Member States and Mozambique, the UK shall exclude imports from the SACU States and Mozambique from any measure taken under the WTO provisions above for five years (starting from 10 October 2016 for SACU and 4 February 2018 for Mozambique). The Joint Council shall review this provision not later than 120 days before the expiry of the five years in light of the development needs of these Parties with a view to a possible extension of the period. Paragraph 1 of Article 33 is not subject to the dispute settlement mechanism of the Agreement.

#### **3.4.2.2 Bilateral safeguards**

3.37. After having examined alternative solutions, a Party or SACU may apply bilateral safeguards of limited duration under certain conditions and procedures. They may be taken if as a result of a Party's obligation under the Agreement, including tariff concessions, a product from one Party is being imported into the territory of another Party or SACU in such increased quantities and under such conditions so as to cause or threaten to cause (i) serious injury to the domestic industry producing like or directly competitive products in the importing Party or SACU, (ii) disturbances in the sector of the economy producing like or directly competitive products, particularly where the disturbances produce major social problems or difficulties which could bring about serious deterioration in the economic situation of the importing Party, or (iii) disturbances in the markets of like or directly competitive agricultural products in the importing Party or SACU. The measures shall not exceed what is necessary to remedy or prevent the serious injury or disturbances and shall take the form of one or more of: a suspension of the further reduction of import duty for the product concerned, as provided for by the Agreement; increase in the customs duty on the product concerned up to the MFN applied rate at the time of taking the measure; or introduction of tariff quotas on the product.

3.38. The measures shall only be maintained for the time necessary to prevent or remedy serious injury or disturbances as defined in Article 34. They shall not exceed two years (four years for Mozambique and SACU) and may be extended for a further period of two years (four years for Mozambique and SACU) if the circumstances warrant. Safeguard measures that exceed one year shall contain clear elements progressively leading to their elimination at the end of the set period at the latest and shall not be applied to the import of a product that has previously been subject to a safeguard within a period of at least one year from the expiry of the measure. Under Part III of Annex I for Botswana, Eswatini, Lesotho and Namibia (BELN) and Mozambique, following five years of entry into force of the Agreement, disturbances in the market for sugar falling under HS 1701

<sup>25</sup> The Agreement refers to multilateral safeguards.

may be deemed to arise where the UK market price of white sugar falls during two consecutive months to below 80% of the price prevailing in the UK during the previous marketing year. The Parties agree to review the definition of disturbances above with a view to reaching an agreement within five years of entry into force of the Agreement (by 1 January 2026) on a percentage of the UK market price for white sugar prevailing during the previous marketing year which if it falls below during two consecutive months may be deemed a disturbance in the market for these products.

3.39. Where a Party or SACU believes that one of the situations referred to in Article 34 exists, it shall immediately refer the matter to the Trade and Development Committee for examination. The Committee may make any recommendation needed to remedy the circumstances; failing a recommendation or other satisfactory solution within 30 days of the matter being referred to the Committee, the importing Party may adopt the appropriate measures to remedy the circumstances. In the selection of the measure, priority must be given to those which least disturb the operation of the Agreement. The measure may exceed the MFN rate in effect on the day immediately preceding the date of entry into force of the Agreement if the MFN rate is lower than that in force when the measure is taken. The Party or SACU shall provide the Committee with information indicating that a measure exceeding the MFN applied rate at the time of entry into force of the Agreement is necessary to remedy or prevent the serious injury or disturbances. Any measure under Article 34 shall be notified immediately to the Committee and subject to periodic consultations with a view to establishing a timetable for its abolition as soon as circumstances permit. Provisional measures, as in the EU-SADC EPA may be taken for up to 180 days by the UK and up to 200 days by other Parties.<sup>26</sup> Bilateral safeguards are not subject to WTO dispute settlement.

#### **3.4.2.3 Agricultural safeguards**

3.40. Agricultural safeguards in the form of an import duty may be applied (for 12 years from 10 October 2016) if, during any 12-month period, the volume of imports into SACU from the UK of an agricultural product listed in Annex IV exceeds the reference quantity. The duty may not exceed the higher of either 25% of the current WTO bound tariff or 25 percentage points and shall not exceed the current applied MFN rate. The measure may be maintained for the longer of the remainder of the calendar year or 5 months and not at the same time as a general bilateral safeguard under Article 34, a measure under GATT Article XIX and the WTO Agreement on Safeguards, or a special safeguard under Article 5 of the WTO Agreement on Agriculture.

3.41. Transparency provisions require SACU to notify the UK in writing within 10 days of applying the measure, with relevant data concerning it; hold consultations on request by the UK; and notify the Trade and Development Committee within 30 days of taking the measure. The implementation and operation of Article 35 may be discussed and reviewed in the Trade and Development Committee which may, on the request of either Party, review the reference quantities and agricultural products concerned.

#### **3.4.2.4 Food Security Safeguards**

3.42. As in the EU-SADC EPA the Parties acknowledge that the removal of trade barriers between them may pose significant challenges to agricultural producers in SACU and Mozambique. Under Article 36 therefore safeguard measures may be adopted by these Parties where essential for the prevention or relief of critical general or local shortages of foodstuffs or other products in order to ensure food security and where the removal of trade barriers gives rise, or is likely to give rise, to major difficulties in these Parties. Procedures for bilateral safeguards are to be followed.

#### **3.4.2.5 BELN Transitional safeguards**

3.43. As for food security safeguards, there is no change in EU-SADC EPA transitional safeguards for the BELN States for imports of sensitive products in Annex V to the Agreement which cause, or threaten to cause, serious injury in these States; the transition period is for 12 years from 10 October 2016. The safeguards shall take the form of an import duty which does not exceed the applied MFN rate for the product concerned at the time of taking the measure or a zero-duty tariff rate quota whose out of quota rate does not exceed the applied MFN rate at the time of taking the measure. The measure shall be notified in writing to the UK 30 days before it is taken, with a further 60 days

<sup>26</sup> Their duration shall be counted as a part of the initial period and any extension.



to provide all the relevant information concerning the measure. Upon request of either Party, the BELN State concerned and the UK shall hold consultations on the measure. The safeguards shall be applied for up to four years and may be extended for another four years should the circumstances require.

#### **3.4.2.6 Infant industry protection safeguards**

3.44. Notwithstanding provisions for bilateral safeguards, BELN States and Mozambique may temporarily suspend further reductions in customs duties, or increase customs duties up to the current applied MFN rate, where a product originating in the UK, as a result of the reduction of duties is being imported into its territory in such increased quantities and under such conditions as to threaten the establishment of an infant industry or threaten, or threaten to cause, disturbances to an infant industry producing like or directly competitive products (Article 38). Safeguards under this provision shall take the form of increased customs duties exclusively by the SACU Member State invoking the provision. They can be applied for up to eight years and may be extended by a Decision of the Joint Council.

3.45. The procedures for taking infant industry protection safeguards are the same as under the EU-SADC EPA and include referral of the matter to the Trade and Development Committee for examination; recommendations by the Committee with a view to seeking an acceptable solution to remedy the situation; and the adoption of measures by the SACU Member State or Mozambique should there be no recommendation by the Committee or no satisfactory resolution within 30 days of the referral. Priority must be given to measures which least disturb the operation of the Agreement with the measure being notified immediately to the Committee and be subject to periodic consultations. In critical circumstances where delay would cause damage that would be difficult to repair, the SACU Member State concerned or Mozambique may provisionally take measures for up to 200 days, as part of the overall period of eight years of imposition of the measure. In taking provisional measures the interest of all Parties shall be taken into account. The importing SACU Member State or Mozambique shall inform the UK and immediately refer the matter to the Trade Development Committee for examination of the provisional measures. SACU Member States shall also have recourse to Article 26 of the SACU Agreement on the protection of infant industries.<sup>27</sup>

#### **3.4.2.7 Other**

3.46. As in the EU-SADC EPA, safeguards may be taken for reasons of difficulties in the implementation of monetary or fiscal policy or safeguarding the balance of payments (Section 4.2).

### **3.4.3 Anti-dumping and countervailing measures**

3.47. The rights and obligations of the Parties on anti-dumping or countervailing measures shall be governed by the relevant WTO Agreements and shall not be subject to dispute settlement under the Agreement (Article 32).

### **3.4.4 Subsidies and State-aid**

3.48. Subsidies on agricultural exports are prohibited from the date of entry into force of the Agreement (Article 68). The provisions of Article 40 (National Treatment on Internal Taxation and Regulation) shall not prevent the payment of subsidies exclusively to domestic producers. This includes payments derived from the proceeds of internal taxes or charges applied consistently with the provisions of Article 40 and subsidies effected through governmental purchases of domestic products (Article 40.7).

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<sup>27</sup> Article 26 of the SACU Agreement permits SACU Members to levy temporary additional duties on imported goods imported to enable infant industries to compete with producers or manufacturers in the common SACU customs area provided that the duties are levied equally on goods grown, produced or manufactured in other parts of the common customs area and like products imported from outside the area. Protection may be provided for eight years unless otherwise determined by the SACU Council of Ministers.

### **3.4.5 Customs-related procedures and trade facilitation**

3.49. Chapter IV covers customs and trade facilitation and to a large extent replicates provisions in the EU-SADC EPA including the exchange of information on customs legislation and procedures, experiences and best practices and promoting coordination between all related agencies (Article 42).

3.50. The Parties agree that customs valuation shall be based on the Agreement on Implementation of Article VII of the GATT 1994 (Article 46). Each Party shall promote harmonization of customs legislation, procedures, standards and requirements, determining its own content and pace of this process (Article 47). The Parties also agree to provide support to SACU Member States and Mozambique's customs administrations (Article 48). The SACU Member States and Mozambique are granted a transition period of eight years from the date of entry into force in Articles 27, 43, 44 and 45 to ensure the smooth implementation of the Chapter. The Joint Council may decide to extend the period for a further two years.

3.51. Protocol 2 on Mutual Administrative Assistance in Customs Matters provides for assistance to ensure the correct application of customs legislation and to combat breaches of that legislation. Assistance may be provided on request by the authorities or spontaneously but may be refused if the Party concerned believes that the assistance is likely to prejudice the sovereignty of a Party, be likely to prejudice public policy, security or other essential interests or violate an industrial, commercial or professional secret. Assistance may also be postponed on the grounds that it is likely to interfere with an ongoing investigation, prosecution or proceeding.

3.52. A Special Committee on Customs and Trade Facilitation is established under Article 50 including to monitor implementation and administration of the Chapter and Protocol 1 on rules of origin, provide a forum to discuss issues related to customs and trade facilitation and enhance cooperation. The Special Committee reports to the Trade and Development Committee.

### **3.4.6 Other regulations**

3.53. There are no other specific regulations in the Agreement.

## **3.5 Sector-Specific Provisions of the Agreement**

### **3.5.1 Agriculture**

3.54. The Parties underline the importance of the sector for the SACU members and Mozambique for food security, generating rural employment, increasing incomes of farm households, creating an inclusive rural economy and as a basis for wider industrialization and sustainable development, and to contribute to the objectives of the Agreement. The Parties establish an agricultural partnership to facilitate an exchange of views on agriculture, *inter alia* food security, development, regional value chains and integration.

### **3.5.2 Trade in services and investment**

3.55. Recognizing that Botswana, Eswatini, Lesotho and Mozambique (participating States) have already started negotiating on trade in services with the EU, Article 73 allows them to continue negotiations with the UK under the Agreement, without prejudice to their negotiations with the EU. The guiding principles are the same as in the EU-SADC EPA. The UK and the participating States also agree to cooperate on strengthening the regulatory frameworks of the participating States and to support implementation of the commitments resulting from the negotiations. Under Annex VII the Parties agree on the need for special and differential treatment for BELN and Mozambique service suppliers and the UK agrees to give sympathetic consideration to the priorities of these Parties in improving the UK Schedule of commitments. The UK shall also support through national and regional development strategies, efforts by BELN and Mozambique to strengthen their capacity for the supply of services especially labour, business, distribution, finance, tourism, culture and construction and related engineering services.

3.56. On investment the UK and participating States agree to cooperate and may in future consider negotiating an agreement on investment in economic sectors other than services. A Party that is not party to the negotiations on trade in services or investment may negotiate its terms of entry to that



agreement. If any agreement resulting from the negotiations results in outcomes that are incompatible with the future development of a SADC regional services or investment framework, the Parties shall negotiate to bring the Agreement into line with the regional framework while ensuring a balance of benefits.

3.57. While the EU-SADC EPA maintained Article 31 of the TDCA (maritime transport) between the EU and South Africa, but which ceased to apply to the UK when it left the EU, Protocol 4 was agreed between the UK and South Africa. It clarifies that they shall endeavour to apply effectively the principle of unrestricted access to the international maritime market and traffic based on fair competition on a commercial basis; agree to provide no less than MFN treatment to each others' nationals and vessels registered in the other's territory for maritime transport of goods, passengers or both, access to ports, the use of infrastructure and auxiliary maritime services of those ports and related fees and charges, customs facilities and the assignment of berths and facilities for loading and unloading, based on fair competition and on a commercial basis; and agree to consider maritime transport in the context of Article 73 of the Agreement (on services negotiations), without prejudice to nationality restrictions or agreements entered into by either the UK or South Africa, which exist at the time and which would be consistent with either the UK's or South Africa's rights and obligations under the GATS.

3.58. With regard to BELN and Mozambique, under Article 9 of Annex VII, the Parties agree to promote the liberalization of maritime transport and provide unrestricted access to the international maritime transport market on a non-discriminatory and commercial basis. They also agree as in Protocol 4 above, to provide treatment no less favourable than that accorded to their own ships, for ships operated by nationals or companies of other Parties and for ships registered in the territory of either Party, for access to ports and their auxiliary maritime services, as well as related fees and charges, customs facilities and the assignment of berths and facilities for loading and unloading. The UK shall also support the efforts of these Parties to develop maritime transport services, with a view to increasing the participation of their operators in international shipping services.

## **4 GENERAL PROVISIONS OF THE AGREEMENT**

### **4.1 Transparency**

4.1. In addition to transparency provisions in other parts of the Agreement, Article 107 requires the Parties to publish or make available publicly their laws, regulations, procedures and administrative rulings of general application and any other commitments under international agreements relating to any trade matter under the Agreement. In addition, any such measures brought into effect after the entry into force of the Agreement shall be brought to the attention of the other Party including by appropriate notification to the WTO, on an official fee-free and public website, or to the coordinator of the other Party.<sup>28</sup> Article 106 requires that in order to facilitate communication relating to the effective implementation of the Agreement the Parties shall designate coordinators

### **4.2 Current payments and capital movements**

4.2. As in the EU-SADC EPA, the Parties undertake to not impose restrictions on and to allow all payments for current transactions between their residents in freely convertible currency, subject to safeguards in case of difficulties for the operation of monetary or exchange rate policy and balance of payments difficulties (Article 69). The Parties may take necessary measures to ensure that this provision is not used for transfers that are not compliant with a Party's laws and regulations.

4.3. Safeguards under Article 70 may be taken in exceptional circumstances, where payments and capital movements between the Parties cause or threaten to cause serious difficulties in the operation of monetary or exchange rate policy in any Party, safeguards may be taken for a period not exceeding six months. Article 71 permits the use of restrictive measures in case of serious balance of payments difficulties or threat thereof, in accordance with conditions under the WTO Agreements and the Articles of Agreement of the IMF. They shall be of limited duration and not go beyond that necessary to remedy the balance of payments situation. Transparency requirements

<sup>28</sup> Where the UK has provided such information and it has not been notified to the WTO through an official fee-free publicly accessible website, the SACU Member States or Mozambique which, because of capacity constraints, have difficulty accessing such a website, may request the UK to provide such information to the relevant coordinator.

include informing the other Party of the adoption of such measures and submission of a timetable for the elimination of the measures.

### 4.3 Exceptions

4.4. General and security exceptions are the same as in GATT Article XX and XXI respectively (Articles 97 and 98). Article 99 provides an exception for taxation allowing the Parties to distinguish, in the application of the relevant provision of their fiscal legislation, between taxpayers who are not in the same situation, in particular with regard to their place of residence or investment. Furthermore, nothing in the Agreement or any arrangement adopted by it, shall be construed to prevent the adoption or enforcement of any measure aimed at preventing the avoidance or evasion of taxes pursuant to the tax provisions of agreements to avoid double taxation or other tax arrangements or domestic fiscal legislation. Nothing in the Agreement shall affect the rights and obligations of either Party under any tax convention. In the event of any inconsistency between the Agreement and any such convention, the convention shall prevail to the extent of the inconsistency.

### 4.4 Accession and withdrawal

4.5. Third parties (States or organizations with competence on matters covered by the Agreement) may accede to the Agreement subject to the approval of the Joint Council and agreement on the terms of accession. The Parties shall review the effects of the accession on the Agreement and the Joint Council may decide on any necessary transitional or amending measures (Article 119).

4.6. The Agreement shall cease to exist for a Party six months following its written notice of denunciation of the Agreement (Article 113).

### 4.5 Institutional framework

4.7. The Agreement establishes a Joint SACU, Mozambique and UK Joint Council to oversee and administer implementation of the Agreement. Its composition, functions and powers are described in Articles 100-102. The first meeting of the Council shall be co-chaired by the Parties. SACU members will act jointly or individually according to the areas of their competence for purposes of the Agreement. The Council shall have the power to take decisions on all matters covered by the Agreement. Its decisions shall be taken by consensus and be binding on all the Parties.

4.8. The Council shall be assisted by the Trade and Development Committee (Article 103) which shall be chaired alternately by a representative of each Party for one year with the first meeting being co-chaired by the Parties. The Committee may establish any special technical groups to deal with specific matters under their competence and shall report and be responsible to the Joint Council.<sup>29</sup> Decisions on matters which have been delegated to the Committee by the Council shall be taken by consensus. Other Committees established by the Agreement include the Special Committee on Customs and Trade Facilitation under Article 50 whose functions include monitoring, implementing and administering the Chapter on Customs and Trade Facilitation and Protocol 1 (on the definition of originating products and methods of administrative cooperation).

4.9. Under Article 104 upon entry into force of the Agreement any decisions taken by the Committees and Councils of the EU-SADC EPA<sup>30</sup> before it ceased to apply to the UK shall, to the extent those decisions relate to the Parties to the Agreement, be deemed to have been adopted *mutatis mutandis* by the institutions established by the Agreement. However, nothing prevents the institutions established by the Agreement from making decisions different to, revoking or superseding the decisions deemed to have been adopted by this provision.

### 4.6 Dispute settlement

4.10. Part III deals with dispute avoidance and settlement on matters concerning the interpretation and application of the Agreement, except as expressly provided, with a view to arrive, where

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<sup>29</sup> According to the Parties no formal special technical groups have been formed. However, SPS and TBT expert groups have been formed.

<sup>30</sup> These are the EU-SADC EPA Joint Council; Trade and Development Committee; Special Committee on Customs and Trade Facilitation; Agricultural Partnership Committee; and Special Committee on Geographical Indications and Trade in Wine and Spirits.

possible, at a mutually agreed solution. SACU will take collective action for disputes requiring it to do so and the UK shall act against it as such. Individual SACU members and Mozambique may also take action individually and the UK shall only act against the individual Parties (Articles 75 and 76).

4.11. The Parties shall endeavour to resolve any disputes, first by entering consultations in good faith with the aim of reaching an amicable solution. Consultations shall be held within 40 days (15 days in cases of urgency) from the date of receipt of the request and be deemed to have been concluded within 60 days (30 days in urgent cases) of the date of receipt of the request unless both Parties agree to continue consultations. If consultations are not held within these times or if they are concluded and no mutually agreed solution is reached, the complaining Party may request an arbitration panel (Article 77). The Parties may also mutually agree to seek mediation. An opinion shall be notified no later than 45 days after the mediator is selected and may include a recommendation on how to resolve the dispute consistent with the provisions of the Agreement. The mediator's opinion is non-binding (Article 78).

4.12. Dispute settlement procedures under Chapter III require a request to establish an arbitration panel be made in writing to the Party complained against and the Trade and Development Committee (Article 79). The panel may not arbitrate on a Party's rights and obligations under the WTO Agreement. Moreover, a dispute initiated under the Agreement or the WTO Agreement, may not be brought for the same measure in the other forum until the first proceeding has ended. Nothing in the Agreement shall preclude a Party from suspending obligations authorized by the WTO's Dispute Settlement Body (Article 95).

4.13. The interim report of the Panel shall be notified to the Parties as a general rule not later than 120 days (60 days in urgent cases) from the date of establishment of the Panel. The Parties may submit written comments within 15 days of the notification of the interim report and the Panel shall notify its ruling within 150 days (90 days in urgent cases) from the date of establishment of the panel (Article 82).<sup>31</sup> No later than 30 days from the ruling, the Party complained against shall notify the complaining Party and the Trade and Development Committee of the reasonable period of time it will require to comply with the panel ruling. If the Parties are not able to agree on a reasonable period of time, the complaining Party shall, within 30 days of the notification, request the original panel to determine the time (Article 84). Articles 85 and 86 provide for a review of measures taken to comply with the panel ruling in case of disagreement among the Parties on the measures taken and temporary remedies in case of non-compliance.<sup>32</sup> In case of non-compliance, the Party shall seek to select measures proportionate to the violation which least affect the attainment of the objectives of the Agreement and take into consideration their economic impact on the Party complained against and on the individual SACU Member State or Mozambique. If the UK does not take measures to comply with a panel ruling or if the panel rules that the measures taken are not compatible with the UK's obligations under the Agreement, and the complaining Party asserts that the adoption of appropriate measures would result in significant damage to its economy, the UK shall consider providing financial compensation. The UK shall also exercise due restraint in asking for compensation or adopting appropriate measures under these provisions (Article 86).

#### **4.7 Relationship with other agreements concluded by the Parties**

4.14. The preamble recognizes that the Agreement builds on the achievements of the EU-SADC EPA, the EU-South Africa Trade Development and Cooperation Agreement (TDCA) and the Partnership Agreement between the EU and the African, Caribbean and Pacific (ACP) Group of States (Cotonou Agreement). The Agreement will build upon the achievements of these agreements in regional cooperation and integration as well as economic and trade cooperation (Article 2).

4.15. Under Article 3 the Parties recognize the integral role played by regional integration in their partnership and a powerful instrument in meeting the objectives of the Agreement. They reaffirm the importance of regional and sub-regional integration among the SACU Member States and Mozambique to achieve greater economic opportunities, enhanced political stability and to foster the

<sup>31</sup> If the deadline cannot be met, the chairperson of the panel must notify the Parties and the Trade and Development Committee in writing stating the reasons for the delay and the date by which the panel hopes to conclude its work. The ruling cannot be notified later than 180 days from the date of establishment of the panel.

<sup>32</sup> Appropriate measures under Articles 86 and 87 refer to measures similar to those under the Understanding on Rules and Procedures Governing the Settlement of Disputes in Annex 2 of the WTO DSU.

effective integration of developing economies into the world economy. In particular, they support the SACU Agreement, the SADC Treaty and the Constitutive Act of the African Union, as well as development policies and policy objectives related to these processes.

4.16. The Parties are not obliged to provide to each other any more favourable treatment provided by a Party as part of its regional integration process. Furthermore, any more favourable treatment and advantage provided by the SACU Member States and Mozambique to the UK shall be enjoyed by the other SACU Member States and Mozambique (Article 109). As in the EU-SADC EPA the relationship between the Agreement and the TDCA between the EU and South Africa is governed by Protocol 4 to the Agreement as amended (Article 110). Under the amended Protocol, the provisions on trade and trade related issues, dispute settlement and the agreement on port and sherry through an exchange of letters between the EU and South Africa under the TDCA (paragraphs 1(a)(i)-(iii), 1(b) and 1 (c) of Protocol 4 between the EU and South Africa), will no longer have legal effect between the UK and South Africa. The UK and South Africa will develop the most appropriate framework in which to structure their relationship as soon as possible. The Parties indicate that there have been no discussions on developing a framework for Protocol 4. With regard to maritime transport, the UK and South Africa shall endeavour to apply effectively the principle of unrestricted access to the international maritime market and traffic based on fair competition on a commercial basis; agree to extend to each others' nationals and vessels registered in their territories no less favourable treatment than that granted on an MFN basis for a number of maritime transport activities based on fair competition and on commercial terms<sup>33</sup>; and agree to consider maritime transport including intermodal operations in the context of trade in services under the Agreement (Article 73) without prejudice to nationality restrictions or agreements entered into by either the UK or South Africa which exist at that time and which would be consistent with either Party's obligations under the GATS.

4.17. Table 4.1 below shows the Parties' RTAs, both notified and not notified, and currently in force.

**Table 4.1 United Kingdom, SACU Member States and Mozambique: participation in other RTAs (notified and non-notified in force), as of 26 June 2023**

RTA Name	Entry into force <sup>a</sup>	Coverage	GATT/WTO Notification	
			Year	WTO Provision
UNITED KINGDOM				
United Kingdom – New Zealand	31-May-23	Goods & Services	2023	GATT Art. XXIV & GATS Art. V
United Kingdom – Australia	31-May-23	Goods & Services	2023	GATT Art. XXIV & GATS Art. V
United Kingdom – Iceland, Liechtenstein and Norway	01-Dec-21	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom – Mexico	01-Jun-21	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom - Serbia	20-May-21	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom - Albania	03-May-21	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom - Jordan	01-May-21	Goods	2021	GATT Art. XXIV
United Kingdom - Ghana	05-Mar-21	Goods	2021	GATT Art. XXIV
European Union - United Kingdom	01-Jan-21	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom - Cameroon	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Canada	01-Jan-21	Goods	2020	GATT Art. XXIV
	01-Apr-21	Services	2021	GATS Art. V
United Kingdom - CARIFORUM States	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Central America	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom – Chile	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom – Colombia, Ecuador and Peru	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V

<sup>33</sup> Maritime transport of goods, passengers or both, access to ports, the use of infrastructure and auxiliary maritime services of those ports and related fees and charges, customs facilities and the assignment of berths and facilities for loading and unloading.

RTA Name	Entry into force <sup>a</sup>	Coverage	GATT/WTO Notification	
			Year	WTO Provision
United Kingdom - Côte d'Ivoire	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Eastern and Southern Africa States	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Egypt	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Faroe Islands	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Georgia	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Israel	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Japan	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Kenya	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Kosovo <sup>b</sup>	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Lebanon	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Morocco	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - North Macedonia	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Pacific States	01-Jan-21	Goods	2020	GATT Art. XXIV
• <i>United Kingdom - Pacific States - Accession of Samoa</i>	01-Jan-21	Goods	2020	GATT Art. XXIV
• <i>United Kingdom - Pacific States - Accession of Solomon Islands</i>	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Palestine	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Republic of Korea	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Republic of Moldova	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Singapore	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Switzerland - Liechtenstein	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Tunisia	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Türkiye	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Ukraine	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Viet Nam	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
<b>SACU Member States – Collectively</b>				
MERCOSUR – SACU	01-Apr-16	Goods	2017	Enabling Clause
EFTA – SACU	01-May-08	Goods	2008	GATT Art. XXIV
SACU	15-Jul-04	Goods	2007	GATT Art. XXIV
<b>SACU – Individual Member States</b>				
European Union – SADC	10-Oct-16	Goods	2017	GATT Art. XXIV
Southern African Development Community (SADC) <sup>c</sup>	01-Sep-00 13-Jan-22	Goods Services	2004 2022	GATT Art. XXIV GATS Art. V
• <i>SADC – Accession of Seychelles</i>	25-May-15	Goods	2016	GATT Art. XXIV
• <i>SADC – Accession of Madagascar</i>	17-Aug-07	Goods	Not notified	
European Union - South Africa	01-Jan-00	Goods	2000	GATT Art. XXIV
Common Market for Eastern and Southern Africa (COMESA) <sup>d</sup>	08-Dec-94	Goods	1995	Enabling Clause
• <i>COMESA - Accession of Egypt</i>	17-Feb-99	Goods	2017	Enabling Clause
• <i>COMESA – Accession of Seychelles</i>	11-May-09	Goods	2022	Enabling Clause
• <i>COMESA - Accession of Somalia</i>	19-Jul-18	Goods	Not notified	
• <i>COMESA - Accession of Tunisia</i>	18-Jul-18	Goods	Not notified	
• <i>COMESA - Accession of Djibouti</i>	01-Feb-00	Goods	Not notified	
• <i>COMESA - Accession of Madagascar</i>	10-Jul-95	Goods	Not notified	
• <i>COMESA - Accession of Libya</i>	03-Jan-05	Goods	Not notified	
Namibia - Zimbabwe	30-Apr-93	Goods	2021	GATT Art. XXIV
African Continental Free Trade Area (AfCFTA)	30-May-19	Goods & Services	Not notified	



RTA Name	Entry into force <sup>a</sup>	Coverage	GATT/WTO Notification	
			Year	WTO Provision
Botswana - Malawi	1956	Goods	Not notified	
Botswana - Zimbabwe	1956	Goods	Not notified	
Mozambique				
European Union – SADC	10-Oct-16	Goods	2017	GATT Art. XXIV
Southern African Development Community (SADC) <sup>c</sup>	01-Sep-00	Goods	2004	GATT Art. XXIV
• SADC – Accession of Seychelles	13-Jan-22	Services	2022	GATS Art. V
• SADC – Accession of Madagascar	25-May-15	Goods	2016	GATT Art. XXIV
	17-Aug-07	Goods	Not notified	
Global System of Trade Preferences among Developing Countries (GSTP)	19-Apr-89	Goods	1989	Enabling Clause
African Continental Free Trade Area (AfCFTA)	30-May-19	Goods & Services	Not notified	

- a Dates of the first entry into force/provisional application for at least one of the Parties.
- b Reference to Kosovo in this table shall be understood to be in the context of the United Nations Security Council resolution 1244 (1999).
- c The notification made in 2004 (WT/REG/176/N/1/Rev.1) indicated that the Parties to the SADC were as follows: Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Eswatini, Tanzania, Zambia and Zimbabwe. The Treaty of Accession of Seychelles was notified in 2016 (WT/REG368/N/1). The Treaty of Accession of Madagascar is yet to be notified.
- d The notification made in 1995 (WT/COMTD/N/3) indicated that the Parties to the COMESA were as follows: Angola; Burundi; Comoros; Eritrea; Ethiopia; Kenya; Lesotho; Malawi; Mauritius; Rwanda; Sudan; Eswatini; Tanzania; Uganda; Zambia; Zimbabwe. The Treaties of Accessions of Egypt and Seychelles were notified in 2017 and 2022, respectively. The Treaties of Accessions of Djibouti, Libya, Madagascar, Somalia and Tunisia are yet to be notified. The withdrawals of Angola, Lesotho and Tanzania have not yet been notified.

Source: WTO Secretariat. Further information on these Agreements and on specific dates of entry into force/provisional applications may be found in the WTO Database on RTAs: <http://rtais.wto.org>.

#### 4.8 Government procurement

4.18. In Article 17 (areas of cooperation), the Parties agree to cooperate to enhance mutual understanding of their respective public procurement systems. They reaffirm their commitment to transparency and the importance of continuing to publish or otherwise make public their laws, regulations and administrative rulings of general applications and any modifications thereof in an officially designated electronic or paper form to the public. They also agree on the importance of responding to reasonable requests to provide information or clarification on these matters.

4.19. The Parties may consider future negotiations on Government procurement, with SACU and Mozambique endeavouring to negotiate collectively. The United Kingdom agrees to include provisions on cooperation and special and differential treatment should such negotiations be launched. If the future procurement agreement should be incompatible with the future development of a SADC regional public procurement framework, the Parties shall work to bring it in line with the regional framework while ensuring a balance of benefits.

4.20. Among the Parties only the UK is party to the WTO's Government Procurement Agreement.

#### 4.9 Intellectual property rights

4.21. The provisions on intellectual property rights (IPRs) are based on those in the EU-SADC EPA. Article 16 reaffirms the Parties' commitments to protect IPRs (Article 11 of Annex VII) and their rights, obligations and flexibilities under the WTO Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPS) Agreement. They may cooperate on matters related to geographical indications (GIs) in line with Section 3 of the TRIPS Agreement. They recognize the importance of GIs and origin linked products for sustainable agriculture and rural development. Agreeing the importance of responding to reasonable requests for information and clarification on IPRs and GIs, the Parties may, by mutual agreement, involve international and regional organizations with expertise in these areas.

4.22. Protocol 3 to the Agreement on GIs and trade in wine and spirits applies to trade between the UK and South Africa although other Parties may adhere to it in relation only to GIs. Under Article 3 of the Protocol the UK and South Africa agree to recognize GIs listed in Annex I. They may also add GIs through a Special Committee established by Article 13 of the Protocol to monitor its development, intensify cooperation and exchange information and dialogue on GIs. Disputes are to be addressed under Part III of the Agreement.

4.23. The Parties may consider cooperating in the future on traditional knowledge and entering into negotiations on the protection of IPRs in the future, with SACU members and Mozambique aiming to negotiate collectively. Should negotiations be launched, the UK will consider including provisions on cooperation and special and differential treatment. Any Party that is not party to a future agreement on IPRs may negotiate the terms of its entry to the agreement. If any such agreement were to result in outcomes that are incompatible with the future development of a SADC regional IPR framework, the Parties shall jointly endeavour to adjust the Agreement to bring it in line with the regional framework, while ensuring a balance of benefits.

#### **4.10 Competition**

4.24. Recognizing that certain business practices such as anti-competitive agreements or concerted practices and abuses of dominant positions may restrict trade between themselves and undermine the fulfilment of the objectives of the Agreement, the Parties agree to cooperate on competition matters in accordance with Article 13(6)(Article 18). They may consider future negotiations on competition, for which, if launched, the UK agrees to include provisions on cooperation and special and differential treatment. Article 18 also provides the possibility for Parties that are not party to such a future agreement on competition, to negotiate the terms of entry to that agreement. If any agreement resulting from such negotiations were to result in outcomes that are incompatible with the future development of a SADC regional competition framework, the Parties shall jointly endeavour to adjust and bring the agreement into line with the SADC regional framework, while ensuring a balance of benefits.

#### **4.11 Environment and labour**

4.25. Under Chapter II of Part I of the Agreement the Parties reaffirm their commitments to promote the development of international trade so it contributes to the objective of sustainable development (economic and social development and environmental protection) for the welfare of current and future generations (Article 6). Taking into account their commitments on environment and labour under the Cotonou Agreement, they reaffirm their rights and commitment to implement obligations under multilateral environment agreements (MEAs) and International Labour Organization (ILO) conventions that they have ratified (Article 8).<sup>34</sup> The Parties recognize their rights to establish their own levels of regulations and to adopt or modify relevant laws and policies consistently with internationally recognized standards and agreements to which they are party; they agree it is inappropriate to encourage trade or investment by weakening domestic levels of labour and environmental protection and shall not derogate from or persistently fail to effectively enforce their labour and environmental laws (Article 9). The Parties will also work together, exchange information and share experiences on trade and sustainable development (Article 11).

4.26. Consultations are foreseen in the Trade and Development Committee on any matter falling under Chapter II (Article 10) but the Agreement's dispute settlement mechanism does not apply.

4.27. Under Annex VII, which reaffirms commitments derived from the Cotonou Agreement as referenced in the EU-SADC EPA, the Parties agree on cooperation including on the environment and natural resources (Article 4), climate change (Article 5) and recognize the special needs and requirements of SACU States and Mozambique on trade and environment (Article 12). They also reaffirm their commitments to internationally recognized core labour standards under the ILO Conventions, agree to enhance cooperation in this area, and agree that labour standards shall not be used for protectionist purposes (Article 13).

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<sup>34</sup> Under Article 12 of Annex VII to the Agreement the Parties agree on special and differential needs of SACU and Mozambique. Under Article 13 of the Annex they reaffirm their commitments to internationally recognized core labour standards in the ILO Conventions. They also agree that environmental and labour measures shall not be used for protectionist purposes and to increase cooperation in these areas.

#### **4.12 Electronic commerce**

4.28. There are no provisions in the Agreement on electronic commerce.

#### **4.13 Small and medium-sized enterprises**

4.29. Under Article 13 the Parties agree to cooperate on issues relating to supply-side competitiveness, including to support small and medium sized enterprises (SMEs) in agriculture, fisheries, industry and services. Efforts are also to be made to make procedures for appeal against customs and other agency administrative actions easily accessible for SMEs (Article 43).

#### **4.14 Other**

##### **4.14.1 Cooperation**

4.30. Under Chapter III of the Agreement the Parties agree to cooperate and to support SACU Members' and Mozambique's trade and development strategies within the SADC regional integration process. They recognize that development cooperation is crucial for their partnership and essential for achieving the objectives of the Agreement. In this regard they agree to development finance cooperation (either financial or non-financial) for regional economic cooperation and integration to promote the efforts of SACU Member States and Mozambique to achieve the objective and maximize benefits from the Agreement. In Part III of Annex VII to the Agreement the UK undertakes to support development cooperation activities in conformity with the principles of complementarity and aid effectiveness such as those in the Paris Declaration on Aid Effectiveness of 2005 and the Accra Agenda for Action of 2008. The Parties agree that a regional development financing mechanism such as an EPA fund would be a useful instrument to channel funding and for implementing EPA accompanying measures and the UK supports regional efforts, and to set up such a fund. The UK agrees to provide contributions to support the implementation of this Agreement through mechanisms such as the Prosperity Fund, noting that the Prosperity Fund closed on 31 March 2021 and prosperity programming transferred to the UK's Foreign, Commonwealth and Development Office. The UK agrees to provide contributions to support the implementation of this Agreement. The Parties shall also cooperate to enable the SACU Member States and Mozambique to access other financial instruments and facilitate other donors willing to support their efforts in implementing the Agreement.

4.31. Annex VII also agrees cooperation in a number of other areas such as environment and natural resources (Article 4), and climate change (Article 5). Economic and trade cooperation, which does not apply to South Africa, aims to foster the smooth and gradual integration of BELN and Mozambique into the world economy with due regard for their political choices and development priorities, thereby promoting their sustainable development and contributing to poverty eradication. In addition to cooperation on climate change and labour (see Section 4.11 above) and intellectual property rights (Section 4.9 above), the Parties agree on special and differential treatment for trade in services to BELN States and Mozambique and to promote liberalisation of maritime transport and offer non-discriminatory access to ports, infrastructure, and other facilities (Articles 8 and 9 respectively and Section 3.5.2 above), to *inter alia* enable easy access for their inhabitants to information and communication technologies (Article 10).



**ANNEX 1**

1. Tables A1.1a-b show the UK's tariff elimination under the Agreement by total, agricultural and industrial products, compared to the average MFN applied tariff. In 2021 47% of the UK's MFN tariff was duty free with an overall average applied rate of 3.8%. Around 57.1% of industrial products were duty free, compared to a significantly smaller share of 18.8% for agricultural products. The average applied MFN rate was 2.5% for industrial products and 8.9% for agricultural products. Under the Agreement, the overall MFN applied tariff was reduced to zero for all the Parties except South Africa giving exporters from Botswana, Eswatini, Lesotho, Namibia and Mozambique a relative margin of preference of 100% compared to imports from MFN sources. With regard to imports from South Africa 94.9% of UK the tariff became duty free in 2021 (99.7% for industrial products and 81.5% for agricultural products). The overall average tariff for imports from South Africa fell to 0.2%, zero for industrial products and 0.9% for agricultural products. This gave exporters from South Africa a relative margin of preference of 100% for industrial products, 89.9% for agricultural products and 94.7% overall. At the end of implementation of the Agreement in 2026 95.3% of the tariff will be duty free overall, 99.7% for industrial products and 83% for agricultural products.

**Table A1.1a United Kingdom: Indicators of MFN and preferential rates for imports from Botswana, Lesotho, Mozambique, Namibia and Eswatini**

Origin of goods	Year	ALL PRODUCTS			HS Chapters 1-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
MFN	2021	3.8	7.8	47.0	8.9	12.0	18.8	2.5	5.8	57.1
Botswana, Eswatini, Lesotho, Namibia, Mozambique	2021	0.0	2.0	99.8	0.0	0.0	100	0.0	2.0	99.8

Note: Tariff lines subject to in-quota rates are excluded from the computation. Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by the UK authorities.

**Table A1.1b United Kingdom: Indicators of MFN and preferential rates for imports from South Africa**

Origin of goods	Year	ALL PRODUCTS			HS Chapters 1-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
MFN	2021	3.8	7.8	47.0	8.9	12.0	18.8	2.5	5.8	57.1
South Africa	2021	0.2	10.0	94.9	0.9	10.4	81.5	0.0	6.6	99.7
	2022	0.2	9.8	94.9	0.9	10.1	81.5	0.0	6.6	99.7
	2023	0.2	9.6	94.9	0.9	9.9	81.5	0.0	6.6	99.7
	2024	0.2	9.4	94.9	0.9	9.7	81.5	0.0	6.6	99.7
	2025	0.2	11.0	95.3	0.9	11.6	83.0	0.0	6.6	99.7
	2026	0.2	11.0	95.3	0.9	11.6	83.0	0.0	6.6	99.7

Note: Tariff lines subject to in-quota rates are excluded from the computation. Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by the UK authorities.

2. In 2021 53.9% of SACU's MFN applied tariff was duty free, with 56.8% of industrial products duty free and considerably less of agriculture, 41.2% duty free. The average applied MFN tariff was 8.8% overall, and 8.2% and 12.2% respectively for industrial and agricultural products. Under the Agreement the average applied tariff for imports from the UK fell to 2.7% and 2.5% and 3.5% respectively for industrial and agricultural products. This gave exporters from the UK a relative margin of preference of 69.3% over exporters from MFN sources; the relative margin of preference was 69.5% for industrial products and 71.3% for agricultural products. The share of duty-free tariff lines for imports from the UK increased in 2021 to 85.7% overall and 85.3% and 85.7% for industrial and agricultural products. At the end of implementation 86.5% of SACU's tariff will be duty-free for imports from the UK (85.3% for industrial products and 91.8% for agricultural products).

**Table A1.2 SACU: Indicators of MFN and preferential rates for imports from the UK**

Origin of goods	Year	ALL PRODUCTS			HS Chapters 01-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
MFN	2021	8.8	19.7	53.9	12.2	22.7	41.2	8.2	18.9	56.8
UK	2021	2.7	18.9	85.7	3.5	31.0	87.6	2.5	16.9	85.3
	2022	2.6	18.8	85.7	3.4	30.1	87.6	2.5	16.9	85.3
	2023	2.6	18.7	85.7	3.3	29.1	87.6	2.5	16.9	85.3
	2024	2.6	18.5	85.7	3.2	28.2	87.6	2.5	16.9	85.3
	2025	2.6	19.4	86.5	3.1	43.3	91.8	2.5	16.9	85.3

Note: Tariff lines subject to in-quota rates are excluded in the computation; For the calculation of averages, specific rates are excluded, and the *ad valorem* parts of alternate rates are included. Based on the HS 2017 nomenclature.

Source: WTO estimates based on the data in the WTO-IDB and information from the Agreement.

3. In 2021 11.9% of Mozambique's MFN tariff was duty-free, with 7.3% and 14.5% being duty-free for industrial and agricultural products. The overall average MFN tariff was 8.6% overall and 11.5% and 14.5% respectively for industrial and agricultural products. Under the Agreement the average applied rate for imports from the UK remained unchanged in 2021. In 2022 the average applied rate fell to 7.9% overall and 6.5% and 14% for industrial and agricultural products, respectively, while the share of duty-free tariff lines for imports from the UK remained unchanged. As a result of the Agreement the relative margin of preference for exporters from the UK was 8.2% overall, and almost 11% and 3.5% for industrial and agricultural products respectively. At the end of implementation in 2028 the share of duty-free tariff lines for imports from the UK is expected to rise to 39.3% overall, and 43.5% and 20.5% respectively for industrial and agricultural products.

**Table A1.3 Mozambique: Indicators of MFN and preferential rates for imports from the UK**

Origin of goods	Year	ALL PRODUCTS			HS Chapters 01-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
MFN	2021	8.6	9.8	11.9	14.5	16.4	11.5	7.3	8.3	12.0
UK	2021	8.6	9.8	11.9	14.5	16.4	11.5	7.3	8.3	12.0
	2022	7.9	9.0	11.9	14.0	15.9	11.5	6.5	7.4	12.0
	2023	7.1	11.6	39.3	13.6	17.1	20.5	5.6	9.9	43.5
	2024	7.0	11.6	39.3	13.5	17.0	20.5	5.6	9.9	43.5
	2025	7.0	11.5	39.3	13.4	16.9	20.5	5.6	9.9	43.5
	2026	7.0	11.5	39.3	13.3	16.8	20.5	5.6	9.8	43.5
	2027	6.9	11.4	39.3	13.3	16.7	20.5	5.5	9.8	43.5
	2028	6.9	11.6	40.3	13.2	17.1	22.6	5.5	9.9	44.2

Note: Based on the HS 2017 nomenclature.

Source: WTO estimates based on the preferential tariffs constructed from the Agreement and ITC Macmap.

4. Tables A1.4a-f show access to the UK market for the top 25 exports of all the other Parties following implementation of the Agreement. With regard to exports from Botswana, Eswatini, Lesotho, Mozambique and Namibia whose top 25 exports to the UK during 2018-20 averaged between 79.6% (for Lesotho) and 96.4% (for Botswana) of total exports, the UK maintained tariffs in 2021 on between 26 (Botswana and Mozambique) and 105 lines (Eswatini) at the HS six-digit level, while between 5 (Lesotho) and 38 lines (Namibia) were duty free on an MFN basis. Upon entry into force of the Agreement the UK liberalized the remaining dutiable lines for imports from these Parties. For South Africa's top 25 exports, which accounted for 53.8% of its exports during 2018-20 on average, and were covered by 56 tariff lines, of which 31 were already duty free on an MFN basis. Of the remaining 25 lines 21 were liberalized by the UK in 2021. The four lines remaining dutiable relate to fresh or dried oranges and aluminium which in 2021 faced MFN applied duties of respectively 7.5% and 2%.

5. Table A1.5 shows access to the SACU market for the UK's top 25 exports which accounted for 38.4% of its total average exports in 2018-20. They were covered by 79 tariff lines at the HS six-digit level, of which 36 were already duty-free on an MFN basis and 43 were dutiable. In 2021 SACU liberalized 16 of these dutiable tariff lines, as a result of which 27 will remain dutiable once the Agreement is fully implemented. The 27 lines relate to motor vehicles and parts and mineral and light oils; MFN applied rates of duty for these products ranged from 6.3% to 23.3% in 2021.

6. Table A1.6 shows access to the market of Mozambique for the UK's top 25 exports which accounted for 38.4% of its total average exports in 2018-20. They were covered by 79 tariff lines, of which 5 were already duty free on an MFN basis. In 2023 Mozambique liberalized 5 lines, with another 2 lines liberalized in 2028. At the end of implementation 44 lines will remain subject to MFN duties for imports from the UK. These products (including motor vehicles and parts, petroleum, gold and light oils) were subject in 2021 to average applied MFN rates ranging from 2.5% to 20%.

**Table A1.4a United Kingdom: Market access opportunities under the Agreement for Botswana, top 25 exports to the world (2018-2020)**

Botswana's top export products in 2018 - 2020			Access Conditions to UK's import markets				
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty-free in 2021	Remain dutiable
			Avg. MFN applied rate (%)	Number of lines			
				duty- free	Duti- able		
710231	Non-industrial diamonds unworked, simply sawn, cleaved, bruted	75.4	0.0	1			
710239	Diamonds (excl. industrial), worked, but not mounted or set	13.9	0.0	1			
854430	Ignition and other wiring sets for vehicles, aircraft or ships	1.6	1.8		1	1	
710812	Gold, incl. gold plated with platinum, unwrought, for non-monetary purposes (excl. in powder form)	0.8	0.0	1			
283620	Disodium carbonate	0.7	4.0		1	1	
020230	Frozen, boneless meat of bovine animals	0.6	12.0		3	3	
250100	Salts, incl. table salt and denatured salt, and pure sodium chloride, whether or not in aqueous solution or containing added anti- caking or free-flowing agents; sea water	0.5	0.0	5			
020130	Fresh or chilled bovine meat, boneless	0.5	12.0		1	1	
391723	Rigid tubes, pipes and hoses, of polymers of vinyl chloride	0.2	5.0		2	2	
260300	Copper ores and concentrates	0.2	0.0	1			
630260	Toilet linen and kitchen linen, of terry towelling or similar terry fabrics of cotton	0.2	12.0		1	1	
010229	Live cattle (excl. pure-bred for breeding)	0.2	10.0	1	11	11	

Botswana's top export products in 2018 - 2020			Access Conditions to UK's import markets				
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty-free in 2021	Remain dutiable
			Avg. MFN applied rate (%)	Number of lines			
				duty-free	Duti- able		
870323	Motor cars and other motor vehicles for <10 persons, with only spark-ignition internal combustion reciprocating piston engine with cylinder capacity > 1.500 cm³ but <= 3.000 cm³	0.2	10.0		3	3	
300230	Vaccines for veterinary medicine	0.1	0.0	1			
710221	Industrial diamonds unworked or simply sawn, cleaved or bruted	0.1	0.0	1			
270112	Bituminous coal, whether or not pulverised, non-agglomerated	0.1	0.0	2			
010221	Pure-bred cattle for breeding	0.1	0.0	3			
270119	Coal (excl. anthracite and bituminous), whether or not pulverised, non-agglomerated	0.1	0.0	1			
854420	Coaxial cable and other coaxial electric conductors, insulated	0.1	2.0		1	1	
843149	Parts of machinery of heading 8426, 8429 and 8430, n.e.s.	0.1	0.0	2			
880230	Aeroplanes and other powered aircraft of an unladen weight > 2.000 kg but <= 15.000 kg	0.1	0.0	1			
490700	Unused postage, revenue or similar stamps of current or new issue; stamp-impressed paper; banknotes; cheque forms; stock, share or bond certificates and similar documents of title	0.1	0.0	3			
710210	Diamonds, unsorted	0.1	0.0	1			
850710	Lead-acid accumulators of a kind used for starting piston engine "starter batteries" (excl. spent)	0.1	1.0		2	2	
852849	Cathode-ray tube monitors "crt"	0.1	0.0	1			
TOTALS		96.4		26	26	26	

Note: Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by the UK authorities, UNSD-Comtrade database.

**Table A1.4b United Kingdom: Market access opportunities under the Agreement for Eswatini, top 25 exports to the world (2018-2020)**

Eswatini's top export products in 2018 - 2020				Access Conditions to UK's import markets			
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty- free in 2021	Remain dutiable
			Avg. MFN applied rate (%)	Number of lines			
				duty- free	duti- able		
330210	Mixtures of odoriferous substances and mixtures, incl. alcoholic solutions, with a basis of one or more of these substances, of a kind used in the food and drink industries; other preparations based on odoriferous substances, used for the manufacture of beverages	31.9	0.0	5			

Eswatini's top export products in 2018 - 2020			Access Conditions to UK's import markets				
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty- free in 2021	Remain dutiable
			Avg. MFN applied rate (%)	Number of lines			
				duty- free	duti- able		
382499	Chemical products and preparations of chemical or allied industries, incl. those consisting of mixtures of natural products, n.e.s.	11.8	5.5	6	17	17	
170114	Raw cane sugar, in solid form, not containing added flavouring or colouring matter (excl. cane sugar of 170113)	9.4	0.0		2	2	
170113	Raw cane sugar, in solid form, not containing added flavouring or colouring matter, obtained without centrifugation, with sucrose content 69° to 93°, containing only natural anhydral microcrystals	8.8	0.0		2	2	
440711	Pine "pinus spp." sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded or end-jointed, thickness of >6 mm	2.9	0.0	3			
170199	Cane or beet sugar and chemically pure sucrose, in solid form	1.8	0.0		2	2	
620462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton	1.8	12.0		7	7	
620342	Men's or boys' cotton trousers, bib and brace overalls, breeches and shorts	1.4	12.0		7	7	
220710	Undenatured ethyl alcohol, of actual alcoholic strength of >= 80%	1.4	0.0		1	1	
620343	Men's or boys' synthetic trousers, bib and brace overalls, breeches and shorts	1.3	12.0		5	5	
170290	Sugars in solid form, incl. invert sugar and chemically pure maltose, and sugar and sugar syrup blends containing in the dry state 50% by weight of fructose, not flavoured or coloured, artificial honey, whether or not mixed with natural honey and caramel	1.3	12.0		8	8	
440112	Fuel wood (non-coniferous), in logs, billets, twigs, faggots or similar	1.1	0.0	1			
170410	Chewing gum, whether or not sugar-coated	1.1	6.0		2	2	
230990	Preparations of a kind used in animal feed	1.0	7.3	1	14	14	
630533	Sacks and bags, for the packing of goods, of polyethylene or polypropylene strip or the like	1.0	9.0		2	2	
270119	Coal, whether or not pulverised, non-agglomerated	0.8	0.0	1			
610910	T-shirts, singlets and other vests of cotton, knitted or crocheted	0.7	12.0		1	1	
293214	Sucralose	0.7	6.0		1	1	
200799	Jams, jellies, marmalades, purées or pastes of fruit, obtained by cooking, whether or not containing added sugar or other sweetener	0.7	19.3		9	9	
600622	Dyed cotton fabrics, knitted or crocheted, of a width of > 30 cm	0.7	8.0		1	1	
170490	Sugar confectionery not containing cocoa, incl. white chocolate (excl. chewing gum)	0.5	8.4		10	10	
610510	Men's or boys' shirts of cotton, knitted or crocheted	0.5	12.0		1	1	

Eswatini's top export products in 2018 - 2020			Access Conditions to UK's import markets				
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty- free in 2021	Remain dutiable
			Avg. MFN applied rate (%)	Number of lines			
				duty- free	duti- able		
291619	Unsaturated acyclic monocarboxylic acids, their anhydrides, halides, peroxides, peroxyacids and halogenated, sulphonated, nitrated or nitrosated derivatives	0.5	5.0	1	2	2	
620449	Women's or girls' dresses of textile materials	0.5	12.0		2	2	
200820	Pineapples, prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit	0.4	21.1		9	9	
TOTALS		84.2		18	105	105	

Note: Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by the UK authorities, UNSD-Comtrade database.

**Table A1.4c United Kingdom: Market access opportunities under the Agreement for Lesotho, top 25 exports to the world (2018-2020)**

Lesotho's top export products in 2018 - 2020			Access Conditions to UK's import markets				
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty-free in 2021	Remain dutiable
			Avg. MFN applied rate (%)	Number of lines			
				duty-free	duti- able		
710231	Non-industrial diamonds unworked, simply sawn, cleaved or bruted	23.3	0.0	1			
610463	Women's or girls' trousers, bib and brace overalls, breeches and shorts of synthetic fibres, knitted or crocheted	11.3	12.0		1	1	
620342	Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton	9.6	12.0		7	7	
611030	Jerseys, pullovers, cardigans, waistcoats and similar articles, of man-made fibres, knitted or crocheted	4.0	12.0		3	3	
620462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton	3.8	12.0		7	7	
610990	T-shirts, singlets and other vests of textile materials, knitted or crocheted (excl. cotton)	3.4	12.0		2	2	
610520	Men's or boys' shirts of man-made fibres, knitted or crocheted	2.9	12.0		2	2	
853620	Automatic circuit breakers for a voltage <= 1.000 v	2.8	2.0		2	2	
630493	Articles for interior furnishing, of synthetic fibres	2.4	12.0		1	1	
510119	Greasy wool, incl. fleece-washed wool, neither carded nor combed (excl. shorn wool)	1.9	0.0	1			
610910	T-shirts, singlets and other vests of cotton, knitted or crocheted	1.8	12.0		1	1	
610343	Men's or boys' trousers, bib and brace overalls, breeches and shorts of synthetic fibres, knitted or crocheted	1.7	12.0		1	1	

Lesotho's top export products in 2018 - 2020			Access Conditions to UK's import markets				
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty-free in 2021	Remain dutyable
			Avg. MFN applied rate (%)	Number of lines			
				duty-free	duti- able		
852872	Reception apparatus for television, colour, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus, designed to incorporate a video display or screen	1.3	14.0		6	6	
110100	Wheat or meslin flour	1.2	0.0		3	3	
620349	Men's or boys' trousers, bib and brace overalls, breeches and shorts of textile materials	1.2	12.0		6	6	
510111	Greasy shorn wool, incl. fleece-washed wool, neither carded nor combed	0.9	0.0	1			
611020	Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted	0.9	12.0		3	3	
520942	Denim, containing >= 85% cotton by weight and weighing > 200 g/m², made of yarn of different colours	0.8	8.0		1	1	
610510	Men's or boys' shirts of cotton, knitted or crocheted	0.7	12.0		1	1	
610462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton, knitted or crocheted	0.7	12.0		1	1	
640299	Footwear with outer soles and uppers of rubber or plastics	0.6	16.0		9	9	
610322	Men's or boys' ensembles of cotton, knitted or crocheted	0.6	12.0		1	1	
843149	Parts of machinery of heading 8426, 8429 and 8430, n.e.s.	0.6	0.0	2			
620469	Women's or girls' trousers, bib and brace overalls, breeches and shorts of textile materials	0.6	12.0		6	6	
610349	Men's or boys' trousers, bib and brace overalls, breeches and shorts of textile materials, knitted or crocheted	0.6	12.0		1	1	
	TOTALS	79.6		5	65	65	

Note: Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by the UK authorities, UNSD-Comtrade database.

**Table A1.4d United Kingdom: Market access opportunities under the Agreement for Mozambique, top 25 exports to the world (2018-2020)**

Mozambique's top export products in 2018 - 2020			Access Conditions to UK's import markets				
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty-free in 2021	Remain dutyable
			Avg. MFN applied rate (%)	Number of lines			
				duty- free	duti- able		
270119	Coal, whether or not pulverised, non-agglomerated	16.8	0.0	1			
760110	Aluminium, not alloyed, unwrought	15.1	2.0		1	1	
271600	Electrical energy	9.0	0.0	1			



Mozambique's top export products in 2018 - 2020			Access Conditions to UK's import markets				
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty-free in 2021	Remain dutiable
			Avg. MFN applied rate (%)	Number of lines			
				duty- free	duti- able		
270400	Coke and semi-coke of coal, of lignite or of peat, whether or not agglomerated; retort carbon	9.0	0.0	3			
760410	Bars, rods and profiles, of non-alloy aluminium, n.e.s.	7.8	6.0		2	2	
240120	Tobacco, partly or wholly stemmed or stripped, otherwise unmanufactured	4.2	0.0		5	5	
261400	Titanium ores and concentrates	4.2	0.0	1			
271111	Natural gas, liquefied	4.2	0.0	1			
710391	Rubies, sapphires and emeralds, worked, whether or not graded, but not strung, mounted or set, rubies, sapphires and emeralds, worked, ungraded, temporarily strung	2.8	0.0	1			
760511	Wire of non-alloy aluminium, with a maximum cross-sectional dimension of > 7 mm	2.4	0.0	1			
271121	Natural gas in gaseous state	1.6	0.0	1			
120740	Sesamum seeds, whether or not broken	1.3	0.0	2			
170114	Raw cane sugar, in solid form, not containing added flavouring or colouring matter (excl. cane sugar of 170113)	1.2	0.0		2	2	
261510	Zirconium ores and concentrates	1.2	0.0	1			
270112	Bituminous coal, whether or not pulverised, non-agglomerated	0.9	0.0	2			
071390	Dried, shelled leguminous vegetables, skinned/split or not	0.9	0.0	1			
271019	Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, n.e.s.	0.7	2.2	12	13	13	
080131	Fresh or dried cashew nuts, in shell	0.7	0.0	1			
670490	Wigs, false beards, eyebrows and eyelashes, switches and the like, of animal hair or textile materials	0.7	2.0		1	1	
080132	Fresh or dried cashew nuts, shelled	0.7	0.0	1			
250590	Natural sands of all kinds, whether or not coloured	0.6	0.0	1			
080390	Fresh or dried bananas (excl. plantains)	0.6	16.0		2	2	
490700	Unused postage, revenue or similar stamps of current or new issue in the country in which they have, or will have, a recognised face value; stamp-impressed paper; banknotes; cheque forms; stock, share or bond certificates and similar documents of title	0.5	0.0	3			
261590	Niobium, tantalum or vanadium ores and concentrates	0.4	0.0	1			
250410	Natural graphite in powder or in flakes	0.4	0.0	1			
	TOTALS	88.0		36	26	26	

Note: Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by the UK authorities, UNSD-Comtrade database.



**Table A1.4e United Kingdom: Market access opportunities under the Agreement for Namibia, top 25 exports to the world (2018-2020)**

Namibia's top export products in 2018 - 2020			Access Conditions to UK's import markets				
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty-free in 2021	Remain dutyable
			Avg. MFN applied rate (%)	Number of lines			
				duty- free	duti- able		
740200	Copper, unrefined; copper anodes for electrolytic refining	19.6	0.0	1			
710231	Non-industrial diamonds unworked or simply sawn, cleaved or bruted (excl. industrial diamonds)	18.9	0.0	1			
261210	Uranium ores and concentrates	10.3	0.0	2			
710812	Gold, incl. gold plated with platinum, unwrought, for non-monetary purposes	5.0	0.0	1			
030474	Frozen fillets of hake "merluccius spp., urophycis spp."	4.6	6.0		4	4	
740311	Copper, refined, in the form of cathodes and sections of cathodes	3.5	0.0	1			
890690	Vessels, incl. lifeboats	3.4	0.0	3			
030355	Frozen jack and horse mackerel "trachurus spp."	3.0	14.0		3	3	
710239	Diamonds, worked, but not mounted or set (not industrial)	2.1	0.0	1			
890520	Floating or submersible drilling or production platforms	1.8	0.0	1			
790111	Unwrought zinc, not alloyed, containing by weight >= 99.99% zinc	1.6	0.0	1			
010229	Live cattle (excl. pure-bred for breeding)	1.4	10.0	1	11	11	
260800	Zinc ores and concentrates	1.2	0.0	1			
220300	Beer made from malt	1.0	0.0	3			
740990	Plates, sheets and strip, of copper alloys, of thickness > 0.15mm	0.8	0.0	1			
080610	Fresh grapes	0.8	11.0		2	2	
271012	Light oils and preparations, of petroleum or bituminous minerals which >= 90% by volume "incl. losses" distil at 210°C "astm d 86 method" (excl. containing biodiesel)	0.7	4.0	2	9	9	
790112	Unwrought zinc, not alloyed, containing by weight < 99,99% of zinc	0.7	0.0	3			
890190	Vessels for the transport of goods and vessels for the transport of both persons and goods	0.6	0.0	2			
030389	Frozen fish, n.e.s.	0.6	11.0	1	11	11	
390690	Acrylic polymers, in primary forms	0.6	5.0	5	2	2	
440290	Wood charcoal, incl. shell or nut charcoal, agglomerated or not	0.5	0.0	1			
740319	Copper, refined, unwrought	0.5	0.0	1			
250100	Salts, incl. table salt and denatured salt, and pure sodium chloride, whether or not in aqueous solution or containing added anti-caking or free-flowing agents; sea water	0.5	0.0	5			
030366	Frozen hake "merluccius spp., urophycis spp."	0.4	14.0		5	5	
TOTALS		84.2		38	47	47	

Note: Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by the UK authorities, UNSD-Comtrade database.

**Table A1.4f United Kingdom: Market access opportunities under the Agreement for South Africa, top 25 exports to the world (2018-2020)**

South Africa's top export products in 2018 - 2020			Access Conditions to UK's import markets				
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty-free in 2021	Remain dutiable
			Avg. MFN applied rate (%)	Number of lines			
				duty-free	duti-able		
710813	Gold, incl. gold plated with platinum, in semi-manufactured forms, for non-monetary purposes	6.2	0.0	2			
270112	Bituminous coal, whether or not pulverised, non-agglomerated	5.4	0.0	2			
260112	Agglomerated iron ores and concentrates (excl. roasted iron pyrites)	3.9	0.0	1			
260200	Manganese ores and concentrates, incl. ferruginous manganese ores and concentrates, with a manganese content of >= 20%, calculated on the dry weight	3.4	0.0	1			
870421	Motor vehicles for transport of goods, with compression-ignition internal combustion piston engine "diesel or semi-diesel engine" of a gross vehicle weight <= 5 t	3.3	8.4		5	5	
720241	Ferro-chromium, containing by weight > 4% of carbon	3.0	0.0	2			
711021	Palladium, unwrought or in powder form	2.7	0.0	1			
711019	Platinum, in semi-manufactured forms	2.6	0.0	2			
271012	Light oils and preparations, of petroleum or bituminous minerals which >= 90% by volume "incl. losses" distil at 210°c "astm d 86 method"	2.6	4.0	2	9	9	
260111	Non-agglomerated iron ores and concentrates (excl. roasted iron pyrites)	2.2	0.0	1			
870332	Motor cars and other motor vehicles designed for the transport of <10 persons, incl. station wagons and racing cars, with only diesel engine of a cylinder capacity > 1.500 cm³ but <= 2.500 cm³	2.1	10.0		3	3	
261000	Chromium ores and concentrates	2.0	0.0	1			
711031	Rhodium, unwrought or in powder form	1.9	0.0	1			
842139	Machinery and apparatus for filtering or purifying gases	1.7	0.0	4			
870323	Motor cars and other motor vehicles principally designed for the transport of <10 persons, incl. station wagons and racing cars, with only spark-ignition internal combustion reciprocating piston engine of a cylinder capacity > 1.500 cm³ but <= 3.000 cm³	1.4	10.0		3	3	
870321	Motor cars and other motor vehicles principally designed for the transport of <10 persons, incl. station wagons and racing cars, with only spark-ignition internal combustion reciprocating piston engine of a cylinder capacity <= 1.000 cm³	1.4	10.0		2	2	
711011	Platinum, unwrought or in powder form	1.3	0.0	1			
710231	Non-industrial diamonds unworked, simply sawn, cleaved or bruted	1.2	0.0	1			
760110	Aluminium, not alloyed, unwrought	1.1	2.0		1		1
870324	Motor cars and other motor vehicles principally designed for the transport of <10 persons, incl. station wagons and racing cars, with only spark-ignition internal combustion reciprocating piston engine of a cylinder capacity > 3.000 cm³	1.0	10.0		2	2	

South Africa's top export products in 2018 - 2020			Access Conditions to UK's import markets				
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty-free in 2021	Remain dutiable
			Avg. MFN applied rate (%)	Number of lines			
				duty-free	duti- able		
080510	Fresh or dried oranges	0.8	7.5		4	1	3
271600	Electrical energy	0.7	0.0	1			
470200	Chemical wood pulp, dissolving grades	0.7	0.0	1			
261400	Titanium ores and concentrates	0.6	0.0	1			
080610	Fresh grapes	0.6	11.0		2	2	
	TOTALS	53.8		25	31	27	4

Note: Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by the UK authorities, UNSD-Comtrade database.

**Table A1.5 SACU: Market access opportunities under the agreement for United Kingdom's top 25 exports to the world**

United Kingdom's top export products in 2018 - 2020			Access Conditions to SACU's import markets				
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty-free in 2021	Remain dutiabale
			Avg. MFN applied rate (%)	Number of lines			
				duty-free	dutiabale		
710813	Gold, incl. gold plated with platinum, in semi-manufactured forms, for non-monetary purposes	5.6	0.0	1			
270900	Petroleum oils and oils obtained from bituminous minerals, crude	4.9	0.0	1			
300490	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes,	3.2	0.0	8			
880330	Parts of aeroplanes or helicopters, n.e.s.	2.9	0.0	1			
841112	Turbojets of a thrust > 25 kn	2.6	0.0	1			
870323	Motor cars and other motor vehicles principally designed for the transport of <10 persons, of a cylinder capacity > 1.500 cm³ but <= 3.000 cm³	2.4	23.3		3	1	2
841191	Parts of turbojets or turbopropellers, n.e.s.	2.1	0.0	1			
870324	Motor cars and other motor vehicles principally designed for transport of<10 persons, cylinder capacity>3.000 cm³	1.7	23.3		3	1	2
220830	Whiskies	1.3	-		2	2	
271012	Light oils and preparations	1.3	6.3	7	14	2	12
970110	Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by hand	1.3	0.0	1			
870322	Motor cars and other motor vehicles principally designed for transport of <10 persons, cylinder capacity > 1.000 cm³ but <= 1.500 cm³	1.2	23.3		3	1	2
711319	Articles of jewellery and parts thereof, of precious metal other than silver	1.0	20.0		1	1	
271019	Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, n.e.s.	1.0	-		1		1
870332	Motor cars and other motor vehicles designed for the transport of <10 persons, of cylinder capacity > 1.500 cm³ but <= 2.500 cm³	0.7	23.3		3	1	2
300220	Vaccines for human medicine	0.6	0.0	1			
870340	Motor cars and other motor vehicles designed for the transport of <10 persons, of a cylinder capacity > 1.500 cm³ but <= 2.500 cm³	0.6	20.0	1	5	3	2
711021	Palladium, unwrought or in powder form	0.6	0.0	1			

United Kingdom's top export products in 2018 - 2020			Access Conditions to SACU's import markets					
HS number and description of the product			Share in global exports (%)	MFN 2021			Duty-free in 2021	Remain dutiable
				Avg. MFN applied rate (%)	Number of lines			
					duty-free	dutiable		
300215	Immunological products, for retail sale	0.6	0.0	1				
851762	Machines for the reception, conversion and transmission or regeneration of voice, images or other data	0.6	0.0	3				
382200	Diagnostic or laboratory reagents on a backing, prepared diagnostic or laboratory reagents	0.5	0.0	1				
490199	Printed books, brochures and similar printed matter	0.5	0.0	1				
870333	Motor cars and other motor vehicles designed for the transport of <10 persons, incl. station wagons and racing cars, with only diesel engine of a cylinder capacity > 2.500 cm³	0.5	23.3		3	1	2	
840890	Compression-ignition internal combustion piston engine "diesel or semi-diesel engine"	0.4	0.0	2				
870899	Parts and accessories, for tractors, motor vehicles for the transport of ten or more persons	0.4	8.3	4	5	3	2	
Total of above		38.4		36	43	16	27	

Note: - contain specific duties only; Based on the HS 2017 nomenclature.

Source: WTO estimates based on the data in the WTO-IDB and information from the Agreement and the UK authorities.

**Table A1.6 Mozambique: Market access opportunities under the agreement for United Kingdom's top 25 exports to the world**

United Kingdom's top export products in 2018 - 2020			Access Conditions to Mozambique's import markets					
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty-free in		Remain dutiable
			Avg. MFN applied rate (%)	Number of lines		2023	2028	
				duty -free	dutiable			
710813	Gold, incl. gold plated with platinum, in semi-manufactured forms, for non-monetary purposes	5.6	7.5		1			1
270900	Petroleum oils and oils obtained from bituminous minerals, crude	4.9	2.5		1			1
300490	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes,	3.2	0.0	1				
880330	Parts of aeroplanes or helicopters, n.e.s.	2.9	1.7		1	1		
841112	Turbojets of a thrust > 25 kn	2.6	2.5		1	1		
870323	Motor cars and other motor vehicles principally designed for the transport of <10 persons, of a cylinder capacity > 1.500 cm³ but <= 3.000 cm³	2.4	12.5		4			4
841191	Parts of turbojets or turbopropellers, n.e.s.	2.1	5.0		1			1
870324	Motor cars and other motor vehicles principally designed for the transport of <10 persons, of a cylinder capacity > 3.000 cm³	1.7	12.5		4			4
220830	Whiskies	1.3	10.0		1	1		
271012	Light oils and preparations	1.3	5.7		7			7

United Kingdom's top export products in 2018 - 2020			Access Conditions to Mozambique's import markets				
HS number and description of the product		Share in global exports (%)	MFN 2021		Duty-free in		Remain dutyable
			Avg. MFN applied rate (%)	Number of lines		2023	2028
				duty -free	dutyable		
970110	Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by hand	1.3	20.0		1		1
870322	Motor cars and other motor vehicles principally designed for the transport of <10 persons, of a cylinder capacity > 1.000 cm <sup>3</sup> but <= 1.500 cm <sup>3</sup>	1.2	20.0		2		2
711319	Articles of jewellery and parts thereof, of precious metal other than silver	1.0	20.0		1		1
271019	Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, n.e.s.	1.0	6.2		13		12
870332	Motor cars and other motor vehicles principally designed for the transport of <10 persons, of a cylinder capacity > 1.500 cm <sup>3</sup> but <= 2.500 cm <sup>3</sup>	0.7	12.5		4		4
300220	Vaccines for human medicine	0.6	0.0	1			
870340	Motor cars and other motor vehicles principally designed for the transport of <10 persons, of a cylinder capacity > 1.500 cm <sup>3</sup> but <= 2.500 cm <sup>3</sup>	0.6	20.0		1		1
711021	Palladium, unwrought or in powder form	0.6	7.5		1		1
300215	Immunological products, for retail sale	0.6	0.0	1			
851762	Machines for the reception, conversion and transmission or regeneration of voice, images or other data	0.6	5.0		1	1	
382200	Diagnostic or laboratory reagents on a backing, prepared diagnostic or laboratory reagents	0.5	0.0	1			
490199	Printed books, brochures and similar printed matter	0.5	0.0	1			
870333	Motor cars and other motor vehicles principally designed for the transport of <10 persons, incl. station wagons and racing cars, with only diesel engine of a cylinder capacity > 2.500 cm <sup>3</sup>	0.5	12.5		4		4
840890	Compression-ignition internal combustion piston engine "diesel or semi-diesel engine"	0.4	5.0		1	1	
870899	Parts and accessories, for tractors, motor vehicles for the transport of ten or more persons	0.4	7.5		1		1
<b>Total of above</b>		<b>38.4</b>		<b>5</b>	<b>51</b>	<b>5</b>	<b>2 44</b>

Note: Based on the HS 2017 nomenclature.

Source: WTO estimates based on the preferential tariffs constructed from the Agreement, ITC Macmap and the UK authorities.

## ANNEX 2

Table A2.1: UK TRQs for imports from South Africa

Product/Code	Quota quantity (metric tonnes)	Tariff rates	
		In quota	Out of quota (MFN rate)
<b>Skimmed milk powder, butter</b> 04021011. 04021019*. 04021091.  04021099.  04051011, 04051019, 04051030, 04051050. 04051090.	159	zero	104 GBP/100 kg 99 GBP/100 kg 1 GBP/kg/lactic matter + 23 GBP/100 kg 1 GBP/kg/lactic matter + 17 GBP/100 kg 158 GBP/100 kg 193 GBP/100 kg
<b>Strawberries</b> 08111090	132	zero	14%
<b>Refined sugar or cane sugar for refining</b> 17011310*, 17011410*. 17019910.	22,045	zero	28 GBP/100 kg/std qual 35 GBP/100 kg
<b>Cane sugar for refining</b> 17011310, 17011410	49,320	zero	28 GBP/100 kg/std qual
<b>White crystalline powder</b> 17023050	159	zero	22 GBP/100 kg/std qual
<b>Citrus jams</b> 20079130	32	10% + 1.70 GBP/100 kg	20% + 3.50 GBP/100 kg
<b>Canned fruit (except tropical fruit)</b> 2007993916, 2007993917, 2007993939, 2007993940. 2007993918, 2007993919, 2007993922, 2007993924, 2007993929, 2007993930, 2007993932, 2007993934, 2007993954, 2007993956. 2007993926, 2007993927.  2007995042, 2007995045, 2007995049, 2007995051, 2007995052, 2007995067. 2007993946, 2007993947.  2007995041, 2007995043, 2007995053, 2007995062.  2007995064.  2007999732, 2007999733, 2007999735, 2007999737, 2007999738, 2007999739, 2007999740, 2007999741, 2007999742, 2007999744, 2007999746, 2007999748, 2007999752, 2007999757, 2007999762. 20084051, 20084079, 20085069, 20087069, 20087079, 20089759. 20084059. 20084071, 20085061, 20085079, 20087061, 20087071, 20089778. 20084090, 2008509811, 2008509813, 2008509815, 2008509819. 20085071. 20085092, 20089774. 2008509891, 2008509893, 2008509899. 20087098, 20089798. 20089772. 20087092.	18,181	9.10% MAX 4.60% + 4.30 GBP/100 kg 10% MAX 4.60% + 4.30 GBP/100 kg  10.80% MAX 4.60% + 4.30 GBP/100 kg 10% MAX 4.60% + 0.80 GBP/100 kg 7.10% MAX 4.60% + 4.30 GBP/100 kg 9.10% MAX 4.60% + 0.80 GBP/100 kg  7.10% MAX 4.60% + 0.80 GBP/100 kg 5.5%  4%  3.6% 4.4%  3.8%  4.7% 3.1% 4.2%  3.4%	20% + 19 GBP/100 kg      20% + 3.50 GBP/100 kg      20%  16%  16% 18%  16%  20% 12% 16% 18% 8% 14%

[illegible]



Product/Code	Quota quantity (metric tonnes)	Tariff rates	
		In quota	Out of quota (MFN rate)
2204299310, 2204299510, 2204299710. <b>Ethanol</b> 22071000. 22072000.	25,448	Zero	16 GBP/hl 8.50 GBP/hl

\* Tariff lines also subject to MFN TRQs.

Source: Section B, Annex I of the Agreement and data provided by the United Kingdom.

**Table A2.2: SACU TRQs for imports from the UK**

Product/Code	Quota quantity (metric tonnes)	Tariff rates	
		In quota rate	Out of quota (MFN rate)
<b>Hams, shoulders and cuts thereof, with bone in</b> 02032200, 02032990	150	25% of the MFN rate	15% or 130c/kg
<b>Pig fat</b> 02091000	20	zero	8c/kg
<b>Butter and other dairy fats</b> 04051010, 04059000	94	25% of the MFN rate	500c/kg with a maximum of 79%
<b>Cheese</b> 04061000, 04069012, 04069022, 04069099	1,498	zero	500c/kg with a maximum of 95%
<b>Wheat and meslin</b> 04061000, 04069012, 04069022, 04069099	30,090	zero	54.42c/kg
<b>Barley</b> 10031000, 10039000	1,003	zero	zero
<b>Cereal based food preparations</b> 19019040	796	25% of the MFN rate	20%
<b>Ice cream</b> 21050010	24	50% of the MFN rate	10%

Source: Section B, Annex I of the Agreement and data provided by SACU Members.